

Jasmina Ognjanović¹

University of Kragujevac,
Faculty of Hotel Management and Tourism
in Vrnjačka Banja

Milica Jovanović Vujatović²

University of Niš, Faculty of Economics

Nemanja Pantić³

University of Kragujevac,
Faculty of Hotel Management and Tourism in Vrnjačka Banja

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SUSTAINABLE DEVELOPMENT OF ENTREPRENEURS IN PROFESSIONAL, SCIENTIFIC, INNOVATIVE, AND TECHNICAL ACTIVITIES OF THE REPUBLIC OF SERBIA

Abstract

M-sector entrepreneurs engage in professional, scientific, innovative, and technical activities crucial for the development and implementation of technologically advanced work programs. The paper aims to determine the trend in business indicators among entrepreneurs in sector M and to identify the participation of entrepreneurs in this sector in overall entrepreneurial activities from 2010 to 2023. It can be concluded that the turnover and gross added value of entrepreneurs in sector M show a tendency to grow during the observed period; however, the oscillatory trend in the percentage participation of these indicators in total entrepreneurial activities is also noticeable. The number of entrepreneurs and employment in the M sector is growing with certain oscillations. The same indicators show a growing trend of percentage participation in total entrepreneurial activities.

Key words: entrepreneurs, sector M, business indicators, technological entrepreneurship

JEL classification: L26, O30

ОДРЖИВИ РАЗВОЈ ПРЕДУЗЕТНИКА У СТРУЧНИМ, НАУЧНИМ, ИНОВАЦИОНИМ И ТЕХНИЧКИМ ДЕЛАТНОСТИМА РЕПУБЛИКЕ СРБИЈЕ

Апстракт

Предузетници сектора М обухватају предузећа из области стручне, научне, иновационе и техничке делатности које су значајне за развој и примену технолошких напредних програма рада. Циљ рада је да утврди

¹ jasmina.lukic@kg.ac.rs, ORCID ID 0000-0002-6036-5269

² milica.jovanovic@eknfak.ni.ac.rs, ORCID ID 0000-0002-6410-0938

³ nemanja.pantic@kg.ac.rs, ORCID ID 0000-0003-0030-6950

тренд кретања пословних индикатора предузетника у сектору М, као и да идентификује учешће предузетника овог сектора у укупним предузетничким активностима у периоду од 2010. до 2023. године. На основу резултата, може се закључити да промет и бруто додата вредност предузетника у сектору М показују тенденцију раста у посматраном периоду, али је приметан и осцилирајући тренд процентуалног учешћа ових показатеља у укупним предузетничким активностима. Бројност предузетника и запосленост у сектору М расте уз одређене осцилације. Исти показатељи бележе растући тренд процентуалног учешћа у укупним предузетничким активностима.

Кључне речи: *предузетници, сектор М, пословни резултати, технолошко предузетништво*

Introduction

Businesses must keep up with accelerated industrial development because it affects the development and competitiveness of economies competing within the boundaries of global technological development (Motiei, 2023). The issue of implementing higher technologies that require the development of specific entrepreneurial competencies among individuals has always been an actual but still insufficiently researched topic in the literature (Artyushenko, 2024). Technological progress is seen as one of the good means of taking advantage of market imperfections (Petti & Zhang, 2011). Accordingly, it is considered a challenge for entrepreneurs to use these technological changes to create new products and services and accelerate their launch on the market (Petti & Zhang, 2011). As the need to monitor technological achievements is a necessity in entrepreneurship, the subject of the paper is the companies of Sector M - professional, scientific, innovative, and technical enterprises. Accordingly, the paper aims to determine the trend of business indicators of entrepreneurs in sector M, as well as to identify the participation of entrepreneurs in this sector in overall entrepreneurial activities from 2010 to 2023.

The literature review identified several insufficiently researched issues. First, companies from sector M with intensive technological development come into the focus of researchers and state policy makers. Previous research has analyzed the operations and results of accounting firms (Lee & Cheng, 2018), management consulting firms (Gabbianelli & Pencarelli, 2024), and marketing firms (Mdangaya Mtange & Deya, 2024), but the summarized results of M-sector entrepreneurs are not sufficiently presented. Considering the growing trend of entrepreneurs' orientation toward technological entrepreneurship (Nikraftar et al., 2022) and the development potential of M-sector entrepreneurs, which is especially important for emerging countries, the study focuses on the analysis of M-sector entrepreneurs over thirteen years. Also, previous research focused on technological leadership was conducted among enterprises (Petti & Zhang, 2011; Petti & Zhang, 2013), while this study exclusively focuses on the entrepreneurs' business indicators. Secondly, previous research has indicated that technological progress and company performance are in a positive relationship (Petti & Zhang, 2011; Xin-gang & You, 2018). The drivers of technological progress are scientific, innovative,

and technical enterprises, so the study focuses on the analysis of the achieved results of M-sector entrepreneurs, with the main goal of observing their growth trend.

The paper contains an introduction and four parts. The second part of the paper describes the results of previous research on the importance of entrepreneurship development for the economy and explains the importance of professional, scientific, and technical enterprises through technological entrepreneurship. In the third part of the paper, the sample is described, and an overview of the development of sector M is given. The fourth part of the paper analyzes the obtained results observed according to two aspects: the entrepreneur's business indicators and the participation of entrepreneurs of sector M in overall entrepreneurial activities. In the fifth part of the paper, the obtained results are discussed, along with the practical implications and limitations of the research.

1. Literature Review

1.1. Entrepreneurship as a Determinant of Sustainable Development

Entrepreneurship is often seen as a driving factor for economic development through the creation and commercialization of innovations, new ideas, and new technologies (Nikraftar et al., 2022). Entrepreneurs often focus on knowledge „from different sources, to encourage innovation and thus create added value for consumers“ (Krstić & Jovanović Vujatović, 2022, p. 26). These activities will increase the competitiveness of the company (Prdić & Kuzman, 2023). Entrepreneurship is “largely focused on respective behaviors and decisions, exploration and exploitation of opportunities, as well as development and implementation of resources, which is necessary for the formation of a profitable business” (Nikraftar et al., 2022, p. 79, Janošik et al., 2024). The three key dimensions of entrepreneurial orientation are risk-taking, innovation, and proactivity (Libingi & Bbenkele, 2024). Risk-taking implies “gambling” with something that has value for the entrepreneur. Innovation focuses on constantly searching for new connections between phenomena to discover new ideas and improve existing products and processes. The proactive orientation of the entrepreneur is directed towards the organization's future, the changes that will happen, or the creation of changes itself.

Researchers highlight entrepreneurs as the main drivers of economic development (Motiei, 2023) since they create new business opportunities and influence the employment rate and income level (Nikraftar et al., 2022). The key to an entrepreneur's success is a focus on increasing innovation performance and innovative processes with a special focus on technological innovation (Hwang & Choi, 2024), which leads to increased “competitive advantage and sustainable activities in international business environment” (Nikraftar et al., 2022, p. 79). Additionally, entrepreneurial activity is vital in ensuring socioeconomic and political stability (Artyushenko, 2023). The role of entrepreneurs in conditions of economic destabilization and lack of financial resources is also significant – with specific support, entrepreneurs can quickly and rationally stimulate the development of economic competition (Artyushenko, 2023). Premović et al. (2024, p. 59) particularly emphasize the role of small and medium-sized enterprises and entrepreneurs in developing economies since they “contribute significantly to gross added value, affect financial stability, and in crisis are a stabilizer, often a driver of economic development”.

Entrepreneurship development is “a dominant goal of developing countries to eliminate unemployment, to develop economic growth, to heighten market mobility, to use innovation and technology” (Motiei, 2023, p. 275). In the structure of the Serbian sector of small and medium-sized enterprises and entrepreneurs (SMEE), entrepreneurs contain 74.6% of the number of enterprises, employ 27.3% of the total number of employees in SMEE, realize 18.1% of the turnover of SMEE, and 24% of the gross added value of SMEE (Burzanović, 2024).

The entrepreneurship development and its contribution to economic development largely depend on entrepreneurial skills and competencies. Entrepreneurial competencies can be defined as initiative, willingness to take reasonable risks, ability to generate and implement new ideas, and responsibility for decisions taken (Artyushenko, 2023). Key competencies are the basis for the development of entrepreneurial thinking, leadership qualities, communication skills, and the ability to solve complex problems (Artyushenko, 2024). The opportunity-based view of entrepreneurship highlights the importance of cultivating entrepreneurial skills and traits for exploring and identifying opportunities to best understand the process of using them (Libingi & Bbenkele, 2024). This theory is continued by the experiential learning theory, which promotes learning as a transformation of experience to create the knowledge necessary to use perceived opportunities (Libingi & Bbenkele, 2024).

Considering the contribution of entrepreneurship to the comprehensive development of developing countries, it is useful to note the limitations that this sector faces. Raza et al. (2024, p. 1) identify “market-related challenges, financial constraints, limitations in human capital, institutional barriers, sociocultural factors, technological shortcomings, and infrastructural challenges” as important obstacles to entrepreneurial development. Motiei (2023) considers that limited financing, especially in developing countries, is a key limiting factor of entrepreneurial development, while Chowdhury (2007) identifies the lack of good skills needed to start and run a business as a key constraint. Nikraftar et al. (2022) discuss technological factors that have limited the progress of entrepreneurs, including a lack of interaction and technical skills, wrong choice of technology, lack of knowledge of new technologies, and inadequate human capital. SMEs in Serbia face difficulties in accessing finance, high operating costs, and insufficient connectivity with the international market (Fedajev et al., 2022).

Entrepreneurship and sustainable development are interconnected through three fundamental dimensions—economic, social, and environmental. Economic sustainability is achieved through innovation and competitiveness; social sustainability arises from employment creation and social responsibility; and environmental sustainability depends on efficient resource use and ecological awareness (Hall et al., 2010).

According to the Triple Bottom Line (TBL) approach (Elkington, 1998), enterprises must simultaneously pursue profit (economic value), people (social equity), and planet (environmental protection). Entrepreneurial orientation—defined by innovativeness, proactiveness, and risk-taking (Lumpkin & Dess, 1996)—serves as a mechanism that integrates these three aspects into the company’s strategic behavior. In this sense, sustainable entrepreneurship is more than just starting a business; it represents an approach to creating and implementing innovations that have positive social and environmental impacts while maintaining economic viability (Hockerts & Wüstenhagen, 2010).

Accordingly, the connection between sustainable business and entrepreneurship is reflected in the following segments:

- Innovation as a sustainability driver – Entrepreneurial firms that continuously innovate are more capable of developing environmentally friendly technologies, reducing waste, and optimizing production processes.
- Strategic orientation toward sustainability – Enterprises with an entrepreneurial orientation tend to incorporate sustainability goals into their core strategies, which leads to stronger market positions and improved stakeholder relations.
- Human capital and organizational learning – Entrepreneurial leadership promotes a culture of continuous learning, creativity, and employee engagement, which are prerequisites for long-term sustainability.
- Socio-environmental value creation – Sustainable entrepreneurship contributes not only to financial performance but also to community development, social inclusion, and environmental protection.

1.2. Entrepreneurs in Professional, Scientific, Innovative, and Technical Activities

The development of the entrepreneurial spirit also plays a significant role in industries with high innovation and technological capabilities (Nikraftar et al., 2022). Recent research indicates that the focus is increasingly on technological entrepreneurship and activities that have the potential to advance modern business trends (Miletić et al., 2025). Nikraftar et al. (2022, p. 77) believe that “the development of technology plays a significant role in economic growth and development”, and accordingly, M-sector companies will be viewed through the prism of technological entrepreneurship. Technological opportunities provide these companies with an incentive to conduct and commercialize scientific, innovative, and technical research at a high level. Technological entrepreneurship “is defined as a style of business leadership that involves identifying high-potential, technology-intensive commercial opportunities, gathering resources such as talent and capital, and managing rapid growth and significant risk using principled decision-making skills” (Motiei, 2023, p. 274-275). In scientific, professional, innovative, and technical enterprises, entrepreneurs “use technology as their driving factor in transforming resources into goods and services, creating an environment conducive to industrial growth” (Motiei, 2023, p. 277).

Numerous companies and institutions are increasingly investing “in the knowledge and education of their employees, offering them numerous programs for the acquisition and improvement of various knowledge and skills” (Premović et al., 2024, p. 60). These activities also contribute to the future economic development (Ognjanović & Kahrović, 2023). Therefore, it can be concluded that educational institutions provide significant support in encouraging the entrepreneurial economy and entrepreneurial abilities of individuals. Entrepreneurship education is especially important for young people in Serbia since more than half of the employees work in SMEs (Premović et al., 2024). The entrepreneurial education program should include (Artyushenko, 2023): acquisition of basic theoretical knowledge about entrepreneurship; introduction of practical business projects where students will develop their start-ups and acquire the skills of their management; functioning of business incubators that will effectively

provide comprehensive support to the most promising start-ups. All of the above are being developed to enable entrepreneurs to identify and use technological and innovative opportunities for the creation of new or significantly improved products and their successful commercialization (Petti & Zhang, 2011).

Professional, scientific, innovative, and technical entrepreneurs are focused on identifying intensive business opportunities, obtaining necessary resources, and managing growth and possible risks with the ultimate goal of using these opportunities to create value (Petti & Zhang, 2011). According to the theory of information asymmetry, some researchers believe that the value of high-tech companies is based on R&D activities (Chen et al., 2023). Jovanović et al. also agree with this (2024), proving that investment in R&D activities affects the company's patent activity. In other words, "inventions and technological development are essential for value creation and competitiveness, but it is the discovery of technological opportunities and their commercial exploitation that makes the difference" (Petti & Zhang, 2011, p. 9). This is the basis of technological entrepreneurship: transforming promising innovations and technologies into value (Petti & Zhang, 2011). Based on the above, it can be concluded that entrepreneurs from the field of scientific, innovative, and technical activities are specialized in finding and identifying new opportunities through high-tech research and development programs, supporting technology for creating innovations and their technical feasibility.

The entrepreneurial structure within Sector M is distinguished by a high level of human capital intensity. Entrepreneurs are usually highly educated professionals who rely on expertise, creativity, and innovation rather than on physical capital (Krstić et al., 2016; Lee & Cheng, 2018). Such enterprises are often small or medium-sized but play a disproportionate role in generating added value, technological advancement, and employment in advanced economies (European Commission, 2022).

Professional and scientific entrepreneurs act as intermediaries between research institutions and the market, transforming scientific knowledge into commercially viable solutions (Audretsch & Link, 2019). They often engage in applied research, technological consulting, and product development, thereby stimulating innovation ecosystems at regional and national levels (Cooke, 2007). Innovation-driven entrepreneurship in this sector is also associated with a higher degree of digitalization, international collaboration, and participation in global value chains (Zhou & Wu, 2018).

From an economic perspective, entrepreneurs in professional and technical services contribute substantially to GDP growth and export potential, as their outputs are typically knowledge-intensive services with high value-added content (European Commission, 2022). According to the OECD (2023), this sector has become one of the fastest-growing components of the modern service economy, driven by the rising demand for expert knowledge in areas such as engineering design, IT consultancy, R&D, and sustainability management.

Moreover, these entrepreneurs play a pivotal role in enhancing organizational competitiveness by supporting innovation processes in other sectors. For instance, engineering and consulting firms help manufacturing enterprises integrate advanced technologies, improve energy efficiency, and comply with environmental standards (Gabbianelli & Pencarelli, 2024). Thus, professional and scientific entrepreneurship indirectly promotes sustainable business practices across the economy.

Despite their importance, entrepreneurs in this sector often face structural challenges, such as limited access to financing, regulatory complexity, and skills shortages in advanced technological fields (Nikrafter et al., 2022). In emerging economies, additional barriers include weak links between academia and industry, low investment in R&D, and insufficient institutional support for innovation. These constraints can limit the scalability and internationalization of professional and scientific enterprises, despite their high innovation potential.

As economies move toward sustainability and digital transformation, the role of professional, scientific, and innovative entrepreneurs becomes increasingly strategic. By integrating sustainability principles into consulting, engineering, and research activities, these enterprises can help accelerate the transition toward a green and circular economy (Petti & Zhang, 2011). Strengthening cooperation between universities, research centers, and entrepreneurial firms is therefore essential for improving knowledge transfer and fostering sustainable innovation.

Very few studies analyze the contribution of technological entrepreneurship to the growth and development of companies. Nikrafter et al. (2022, p. 76) conclude “that the key factors affecting the success of the technological entrepreneurship process in nanotechnology were classified into five general categories: organizational, environmental, institutional, individual, and technology factors”. Motiei (2023, p. 283) concludes that the key factors that influence technological entrepreneurship “are increasing the productivity of goods and services, supporting entrepreneurship, increasing the efficiency of monetary policies that are in the first level”. Chen et al. (2023) prove that scientific innovation is positively and significantly related to the successful listing of technical attributes. The development of technology-intensive enterprises from the M sector is necessary for emerging countries, so the study focuses on the analysis of the achieved results of entrepreneurs and their participation in overall entrepreneurial activities.

1.3. Key Aspects of Entrepreneurship in the Republic of Serbia

Entrepreneurship in Serbia represents a dynamic but still developing segment of the national economy (Ivanović-Đukić et al., 2012). In 2023, there were almost 249,000 registered entrepreneurs, employing around 266,000 workers, and generating revenues exceeding 2.3 trillion dinars (approximately 20 billion euros). The geographical distribution shows a concentration of entrepreneurial activity in Belgrade (28.6%) and Vojvodina (25.1%), while Šumadija and Western Serbia account for 28.4%, and Southern and Eastern Serbia 17.9% (World Bank Group, 2023).

The sectoral structure of entrepreneurship highlights the dominance of wholesale and retail trade (around 17% of entrepreneurs), followed by professional, scientific, technical, and innovative activities (16.9%), manufacturing (14.1%), construction (10.7%), and transport and storage (8.7%). Despite this relatively diversified base, entrepreneurship remains vulnerable to fluctuations, as shown by the 21,712 newly registered entrepreneurs in the first half of 2024, which marks a decline compared to the previous year, while more than 11,000 entrepreneurial ventures are closed annually (Serbia Business, 2024).

The startup ecosystem, particularly in Belgrade and Novi Sad, has recently gained international recognition. Its total value reached USD 1.116 billion in 2023, representing

a 66% year-on-year growth. These ecosystems are ranked first in the Western Balkans and tenth in Central and Eastern Europe, with strengths in available talent and above-average female participation. The average age of founders in Serbia is 35 years, younger than the European and global average, and female entrepreneurs make up 31.2% of the total, with a large share being highly educated (Startup Genome, 2023).

Nevertheless, challenges remain significant. The number of startups decreased by about 20% in 2025, reflecting difficulties in sustaining early-stage businesses and scaling them beyond initial funding rounds. Many entrepreneurs still rely heavily on grants and operate with limited international ambitions. Moreover, while Serbia has a strong technical talent pool, gaps persist in areas such as market expansion, business development, and sales (The Digital Serbia Initiative, 2025). Taken together, these findings suggest that entrepreneurship in Serbia has established a strong quantitative base and promising ecosystems, yet it continues to face structural challenges related to sustainability, scaling, and diversification. Policies that support innovation financing, internationalization, and entrepreneurial education-particularly for women and younger founders-will be essential for further strengthening the sector.

2. Methods

2.1. Data Source and Sample Description

Given the importance of technological development for entrepreneurship, this paper focuses on Sector M – professional, scientific, innovative, and technical enterprises. The aim is to determine the trend of business indicators of entrepreneurs in Sector M and to identify their participation in overall entrepreneurial activities in Serbia from 2010 to 2023. The study uses secondary data from the Statistical Office of the Republic of Serbia – specifically, the annual reports *Entrepreneurs in the Republic of Serbia* for the period 2010–2023.

Previous studies have analyzed accounting firms (Lee & Cheng, 2018), management consulting firms (Gabbianelli & Pencarelli, 2024), and marketing firms (Mdangaya Mtange & Deya, 2024), but the summarized results of M-sector entrepreneurs are not sufficiently presented. Considering the growing orientation toward technological entrepreneurship (Nikraftar et al., 2022) and its development potential-especially in emerging countries-this study focuses on the analysis of M-sector entrepreneurs over thirteen years.

The sample includes entrepreneurs from sector M in the Republic of Serbia. According to the Decree on the Classification of Activities (2010), sector M includes professional, scientific, innovative and technical activities, i.e., accounting and legal activities, management activities and consultancy related to management, architectural and engineering activities, scientific R&D, advertising and market research, and other professional, scientific and technical activities. One recommendation for increasing productivity among Serbian entrepreneurs is to focus on developing innovative activities (Ognjanović et al., 2025). The business results of these entrepreneurs were analyzed and monitored for the period from 2010 to 2023, and the data were taken from the report “Entrepreneurs in the Republic of Serbia” for each year individually.

2.2. Indicators and Analytical Approach

The analysis is based on four key business indicators:

- 1) Number of entrepreneurs;
- 2) Number of employees;
- 3) Turnover;
- 4) Gross added value.

The indicators were observed annually to identify trends and relative participation of M-sector entrepreneurs within total entrepreneurial activities in Serbia. Percentage shares were calculated to determine the contribution of Sector M to the national entrepreneurial landscape.

Accordingly, the results of the study should answer the following research questions:

1) What is the trend of business indicators of entrepreneurs in sector M in the observed period?

2) What is the participation of entrepreneurs of the M sector in the total entrepreneurial activities according to the entrepreneurs' business indicators in the observed period?

3. Results

In the M sector in 2023, 23657 companies were registered in Serbia, which generated 469972.1 million RSD of gross added value, investments of 33125.2 million RSD, and employed 135300 workers (Statistical Yearbook, 2024). In the EU, the professional, scientific, and technical activity in 2021 had 4.8 million companies, generated 681.8 billion euros in added value, 1433338 € in net turnover, and employed 11.6 million people, which accounts for 7.4% of total employment (Eurostat, 2024). The labor productivity of the professional, scientific, and technical activities in the EU in 2021 was 58700 € per employee, while the average personnel costs per employee were 52300 € (Eurostat, 2024). Leogrande (2024) states that the average value of professional, scientific, and technical companies increased by 83.18% in OECD countries from 2005 to 2022.

3.1. Business Indicators of Entrepreneurs in Sector M

A summary of the business results of sector M entrepreneurs is shown in Table 1. Entrepreneurs were observed for the period from 2010 to 2013 according to the achieved business indicators: number of entrepreneurs, number of employees, turnover, and gross added value. According to the results obtained, it can be concluded that the number of entrepreneurs in this sector is growing year by year, except in 2023. Employment in sector M shows oscillations in the observed period: until 2015, it records alternating growth and decline, after which employment grows until 2022 and then again shows a tendency to fall. Employment is almost 30% higher in 2023 compared to 2010. The value of turnover is growing in the observed period. In 2023, the turnover is higher by 592%, which indicates a growing trend in entrepreneurial activities regardless of fluctuations in the number of

employees. The value of gross value added also shows an exceptional growth, except in 2020. It is assumed that this result is a reflection of the COVID crisis. In the case of this indicator, a high percentage of growth was identified in 2023 compared to 2010 - 417%.

Table 1: Business indicators of entrepreneurs in sector M: Professional, scientific, innovative, and technical activities (2010-2023)

Year	Number of entrepreneurs	Number of employees	Entrepreneur's turnover (in millions of RSD)	Gross added value of entrepreneurs (in millions of RSD)
2010	24.365	13.494	35.881	17.935
2011	25.367	11.533	41.542	21.858
2012	26.119	12.227	48.173	25.149
2013	25.832	11.773	49.889	26.039
2014	27.002	12.041	50.012	28.118
2015	27.844	14.214	55.450	31.211
2016	29.845	15.339	61.585	34.665
2017	32.323	16.328	69.963	39.350
2018	35.055	17.609	83.659	46.993
2019	37.884	18.389	97.111	54.834
2020	41.566	19.764	95.510	53.654
2021	42.789	20.575	117.251	65.885
2022	46.174	18.576	131.062	74.792
2023	42.097	17.531	212.452	114.693

Source: Entrepreneurs in the Republic of Serbia from 2010 to 2023, Statistical Office of the Republic of Serbia, Belgrade

The movement of business indicators of the entrepreneurs in sector M for the observed period can also be shown graphically. Figure 1 shows the trend in the number of companies and employment, while Figure 2 shows the trend in turnover and gross added value.

Figure 1: Trends in the number of and entrepreneurs and employment in M sector

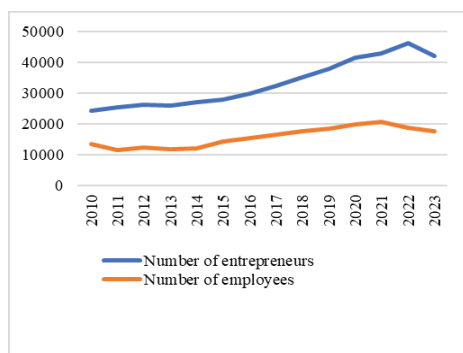
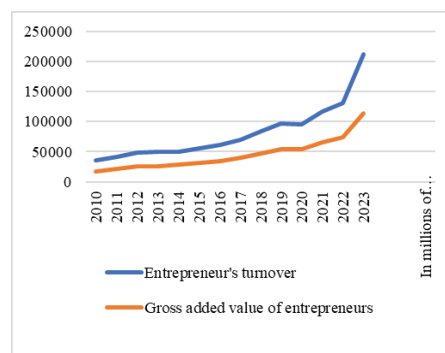


Figure 2. Trends in entrepreneur's turnover and gross added value in M sector



Source: Processing of data collected from the reports "Entrepreneurs in the Republic of Serbia" (2010-2023)

3.2. Participation of Sector M Entrepreneurs in Overall Entrepreneurial Activities

The analysis of the M-sector entrepreneurs can also be monitored based on the value of the participation of business indicators in the total entrepreneurial activities. The analysis covers the same period, from 2010 to 2023, and is based on the data presented in the reports *Entrepreneurs in the Republic of Serbia* for each observed year. The percentage participation was calculated for each observed indicator by comparing the value of the indicators achieved by the entrepreneurs of sector M with the value of the indicators for all entrepreneurs for each observed year (Table 2).

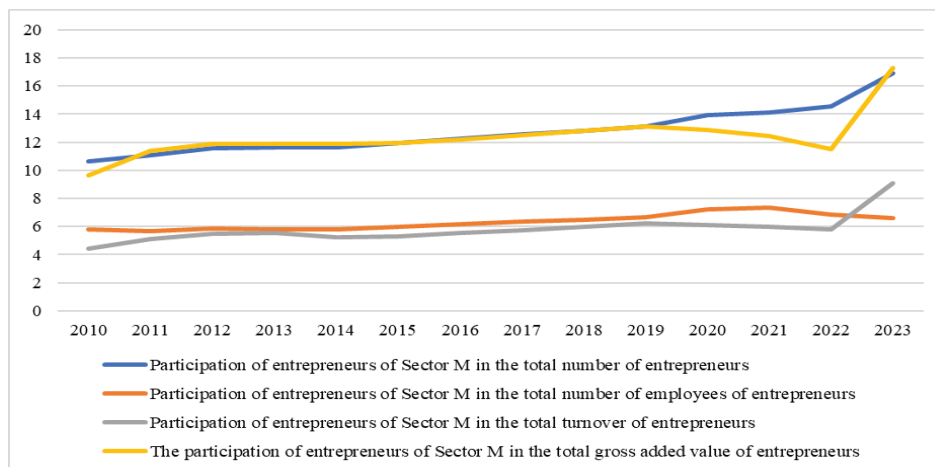
Table 2: Participation of M-sector entrepreneurs in total entrepreneurial activities according to business indicators (2010-2023)

Year	Participation of entrepreneurs of Sector M in the total number of entrepreneurs	Participation of entrepreneurs of Sector M in the total number of employees of entrepreneurs	Participation of entrepreneurs of Sector M in the total turnover of entrepreneurs	The participation of entrepreneurs of Sector M in the total gross added value of entrepreneurs
2010	10.65	5.81	4.46	9.68
2011	11.10	5.67	5.14	11.36
2012	11.55	5.89	5.46	11.88
2013	11.63	5.79	5.52	11.86
2014	11.66	5.80	5.22	11.91
2015	11.96	6.01	5.33	11.94
2016	12.25	6.19	5.52	12.20
2017	12.56	6.33	5.76	12.51
2018	12.84	6.48	6.00	12.79
2019	13.14	6.65	6.24	13.11
2020	13.94	7.25	6.10	12.88
2021	14.11	7.34	6.00	12.43
2022	14.56	6.83	5.81	11.53
2023	16.91	6.61	9.10	17.30

Source: Entrepreneurs in the Republic of Serbia from 2010 to 2023., Statistical Office of the Republic of Serbia, Belgrade.

The percentage share of observed business indicators of entrepreneurs of sector M can also be shown graphically by year (Figure 3).

Figure 3: Percentage share of business indicators of M-sector entrepreneurs in total entrepreneurial activities



Source: Processing of data collected from the reports "Entrepreneurs in the Republic of Serbia" (2010-2023).

If we observe at the number of entrepreneurs, their percentage share in the total number of entrepreneurs is growing in the period from 2010 to 2023. Participation in the total employment of M-sector entrepreneurs shows a tendency to grow, except for a slight decrease in 2022 and 2023. The percentage share in the total turnover of entrepreneurs achieves a slight growth until 2020, where it records a slight decline until 2023. The share of this indicator records above-average growth in 2023. An almost identical trend was recorded in the case of the participation of M-sector entrepreneurs in gross added value. Growth was identified until 2020, then a decline occurred over the next three years, and in 2023, this indicator would have above-average growth.

4. Discussion

The research results can be used to interpret the research questions. Namely, if we observe the trend of business indicators of entrepreneurs in the M sector, we can conclude that the number of entrepreneurs and employment will grow until 2021 and 2022, respectively, and then decline. Such results are in line with the conclusion of Jaško et al. (2023), which also indicates changes in the number of entrepreneurs and employment among entrepreneurs in Serbia. The same authors interpret this result as the fact that the Serbian entrepreneurial ecosystem is facing challenges that are higher than average. Worryingly, the number of entrepreneurs is falling in 2023 in the M sector, which is not typical considering that technology entrepreneurship is in its infancy. On the other hand, the share of M-sector entrepreneurs in the total number of entrepreneurs shows constant growth in the observed period. Such results indicate the competitiveness of professional, scientific, innovative, and technical entrepreneurs compared to other activities in Serbia. Second, the reduction in the number of employees can be interpreted

in the sense of technological development - the introduction of modern technology and the digitalization of business processes reduce the need for entrepreneurs for the labor force. In the obtained results, it is also noticeable that the share of M-sector employment in the total employment of entrepreneurs does not show major fluctuations. These results lead to the conclusion that despite the reduction in the number of employees, the turnover of entrepreneurs in sector M is increasing, which indicates the development potential of scientific, innovative, and technical entrepreneurs.

Third, the remaining two observed indicators, turnover and gross added value, show a clear growth trend in the observed period. Pechlaner et al. (2004) reach similar findings, stating that turnover growth contributes to company growth. Such results are encouraging, especially for future investments, since the growth of turnover heralds the growth of cash flow (Ibrahimi & Meghouar, 2019). On the other hand, it is worrying that the participation of turnover and gross value added of the M sector in the total entrepreneurial results achieved a drastic decline in 2022, bearing in mind the potential of scientific, innovative, and technical entrepreneurship. As a possible explanation for such results, Pechlaner et al. (2004) state the lack of growth capital and qualified employees.

Practical implications. The growing trend of turnover and gross value added among M-sector entrepreneurs indicates the existence of means to overcome one of the key problems faced by Serbian entrepreneurs - the lack of financial resources. It is recommended that entrepreneurs accumulate part of the realized turnover value and gross added value to use for all future investments and business expansions. However, unfavorable trends were identified in terms of the number of entrepreneurs and employment in the M sector, as well as a decrease in the estimated share of turnover and gross value added in 2022 in the total entrepreneurial activity. First of all, it is necessary to find the factors that caused the drop in results. Potential causes include the lower attractiveness of scientific, innovative, and technical entrepreneurship since it requires specialized entrepreneurial skills, abilities, knowledge, and experience, for which not all entrepreneurs are trained. Such results can also explain the lower percentage participation of turnover and gross value added in total entrepreneurial activities. Entrepreneurs must also monitor the trend of employment, which shows oscillations in the observed period. This may be the result of the application of modern technology that replaces the workforce, but entrepreneurs of professional, innovative, and technical activities must always keep in mind that the knowledge, experience, and skills of employees cannot be replaced by machines.

Research limitations and recommendations for future research. The research provides an insight into the trend of the results of entrepreneurs of sector M without analyzing the nature of the relationship between these results and some other business factors. Therefore, it is recommended that future studies additionally explore the impact of sociological, economic, environmental, and technological business factors on the results of the entrepreneur's work. It is also recommended that the number of entrepreneurs' indicators that are monitored expand (financial performance, customer satisfaction performance, investment performance, etc.). Another limitation refers to the fact that the study does not provide insight into the reasons for the oscillating trend of turnover and gross value-added participation in overall entrepreneurial activities. The recommendation for future studies is to analyze the factors that lead to such oscillations and to what extent the observed factors can be under the control of the entrepreneur.

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