



# Women in Enterprise

*...an invitation to comment on and guide the actions required to tackle the gender gap in enterprise in Scotland...*





## **Purpose of this paper**

In September 2012, the Scottish Government hosted a Women's Employment Summit in Edinburgh. The theme of one of the Summit break-out sessions was Women in Enterprise.

The outcome of that session was a series of discussions and workshops between October and April with a range of organisations and female business owners to address the gender gap in entrepreneurial activity in Scotland. Led by Professor Sara Carter of the Hunter Centre for Entrepreneurship at Strathclyde Business School and Jackie Brierton of Women's Enterprise Scotland, it was agreed that a Framework and action plan was needed to take forward some of the key ideas and activities identified as a result of these collaborations.

This draft framework is a summary of the rationale for these workshops, and an outline of the ideas generated for an action plan.

The paper should be seen as the start of a journey, and the initial step, in developing a series of ongoing and sustained activities involving all private, third and public sector partners.

Ensuring that all of Scotland's people are able to participate in and contribute towards sustainable economic growth is a key outcome for the Scottish Government. Taking this message forward, our position has been clear from the outset – women's enterprise is a mainstream economic activity and not a 'special interests' focus.

### **The Workshops**

The first workshop was held on Thursday 25 October 2012. The commitment of the Scottish Government in tackling this matter was underlined by the attendance of the Cabinet Secretary for Finance, Employment and Sustainable Growth, John Swinney MSP. Although hosting, the Scottish Government always made clear that this process was led by all partners and equally any resulting actions would be owned by all.

This first session addressed the broad themes and set out what would be covered in the proceeding workshops

These were:

- *Networking & Mentoring* – 6 December 2012
- *Role-modelling* – 7 March 2013
- *Markets & Finance and Gender Specific Support* – 11 April 2013



## **Why closing the gender gap is important**

### *The economic rationale and impact*

There is considerable concern that the low rates of participation by women in entrepreneurship constitute a major 'gap'. Women's enterprise can be difficult to precisely define and enumerate, but it is estimated that around 21% of Scotland's 339,000 SMEs are majority-led by women and a further 22% are equally-led by women and men. Men are still almost twice as likely to start businesses as women.

While the under-representation of women in entrepreneurship is an international concern, relative to other high income countries, Scotland's rates of female business ownership are persistently low. The scale of Scotland's enterprise 'gap' is illustrated by estimates suggesting that Scotland would have an additional 108,480 businesses if women's business ownership rates equalled those of men. This would equate to a 32% increase in Scotland's business base.

The contribution of women-led businesses to the Scottish economy is substantial. Estimates suggest that women-led businesses contribute (at a minimum) £5 billion GVA. If rates of women-led businesses equalled those of men, the contribution to Scotland's GVA would increase by £7.6 billion to nearly £13 billion. This equates to 5.3% growth in the size of the Scottish economy.

Among women-owned businesses in Scotland, there is considerable ambition and growth aspiration. A survey by Women's Enterprise Scotland in 2012 found that 87% were planning growth and 27% wanted to grow rapidly.



## **Support for Women in Enterprise**

There are a number of organisations and initiatives in Scotland which provide enterprise support to new and growing businesses, and many women starting and growing businesses have benefited from their services. The enterprise 'ecosystem' is arguably more developed here than in any other part of the UK.

Most of that support is what we'd call 'mainstream', designed to suit the needs of the majority and with little specific focus on tailored support for specific groups such as women, minority ethnic businesses, or people with disabilities for example.

Mainstream support works well for many people but there is a body of evidence which highlights the benefits of giving women the option to have a more gender-focused approach. This may be having the choice of a male or female business advisor, female-only training courses or networking events for women. This may particularly be the case for women from minority ethnic communities or for women who have limited experience of running a business, or who have been out of the workforce for a number of years. But it can also be the case for women seeking to grow existing businesses, evidenced by waiting lists for 'Women Mean Business' growth courses run recently in Edinburgh and Fife.

Examples of other gender-focused approaches include the Women into Business networking events which are available in some Business Gateway areas. There are also a number of business network organisations for women, including affiliate members of the Association of Scottish Businesswomen.<sup>1</sup>

We recognise that many women, especially those within already established businesses, view the prospect of women-only business support mechanisms with reservation. But there is an equally well-founded concern that mainstream support, particularly support which is offered to businesses identified as high-growth firms, in practice excludes women-led businesses as fewer are able to meet the thresholds for inclusion. In this regard, gender-blindness may be disadvantageous to women-owned firms with different growth patterns.

So there are some challenges in ensuring women can access appropriate support at the right time for their businesses. And this is one of the issues on which we want feedback, suggestions and ideas during the consultation period of this Framework.

---

<sup>1</sup> <http://www.asb-scotland.org/affiliated-groups.cfm>



## **Proposals for action & next steps**

The conclusion to our four workshops was an outline set of actions to be further consulted upon, explored and refined. All involved in our discussions were in agreement that it is action that is required and not a statement of principle.

The proposals below have been arranged thematically. Their would-be owners cut across private, third and public sectors. This reaffirms a key finding from our discussions that no single agency or initiative can alone tackle this issue. Instead, for success to be realised, all of us must work together.

### **1. Mentoring & networking**

- Creation of a network and online database of appropriate mentors (male and female) who are committed to providing support for women starting and growing businesses.
- Facilitation of a 'skills-based' network for collaborative support.
- Development of peer support model.

### **2. Role-modelling**

- Identify new female business role-models from range of backgrounds and businesses.
- Establish a database of trained ambassadors (including role models) for media opportunities, conferences, schools etc..

### **3. Markets & Finance**

- Work with WE Connect<sup>2</sup> to develop a distinct Scottish presence and identity – developing access to procurement opportunities with corporate businesses and the public sector.
- Explore the creation of a 'soft-loan-fund' and/or microcredit for women.
- Work with Investing Women to increase the number of women angels and investment in female-led businesses.
- Work with Co-operative Development Scotland on collaboration model.

### **4. Gender specific support**

- Focus on gender-specific local marketing of Business Gateway services.
- Encourage banks to focus on opportunities to develop their female customers' businesses.
- Intermediaries to offer women-to-women support.

---

<sup>2</sup> <http://weconnectinternational.org/en/>

- Extend enterprise support 'reach' to women not already benefitting from main-stream support.

## **5. Other**

- Women in Enterprise to be distinctly articulated as a responsibility of a named Scottish Minister.
- Focus on education opportunities to encourage women into enterprise.
- Raise awareness of existing resources and services.
- Facilitate a more cohesive and 'joined-up' online women's business community.
- Gain a better understanding of customer satisfaction in relation to current support networks.

As made clear at the beginning of this document; the participants of our workshops made no claim to having all of the answers needed to tackle the gender gap in enterprise. It is our hope that you will offer your insight and experience towards the outline actions listed in this document. Please do so through the survey link below.

We look forward to hearing your thoughts as these ideas are refined. The next steps for this work will be to bring developed actions into being – together. We will report again in the autumn on what is underway and how progress is being monitored.

<https://www.surveymonkey.com/s/weframework>

