WOMEN IN ENTERPRISE

A FRAMEWORK AND ACTION PLAN TO INCREASE THE CONTRIBUTION OF WOMEN'S ENTERPRISE TO THE SCOTTISH ECONOMY
In Scotland we are today witnessing an entrepreneurial renaissance. As a nation both proud of and renowned for our enterprising and innovative heritage it is encouraging to be again finding our feet.

This Government recognises that our people are our nation’s greatest asset. We are committed to ensuring that all of our people can reap the benefits of enterprise because we recognise that this will make for stronger and more sustainable growth. That a gender-gap exists in enterprise is not in question. The work of Professor Sara Carter not only demonstrates this but spurs us to action by suggesting that Scottish GDP could be boosted by over 5% if this gap were adequately tackled.

Over the last year we facilitated workshops and heard from women business-owners and from organisations whose purpose is to support growth. Special praise is due to ‘Women’s Enterprise Scotland’ for the key role they have taken and for the wider consultation they carried out on behalf of all of the partners involved. This resulting document is owned by all partners who were part of this journey and who have committed towards the actions within.

This ‘Team Scotland’ approach is one I have championed, and by drawing together those who want to see our nation grow from across the public, private and third sectors, it is how we can drive action. Last November I launched ‘Scotland CAN DO,’ our national statement of our ambition towards becoming a world-leading entrepreneurial and innovative nation. This was built upon the same foundations and is complemented and supported by the actions herein.

As Cabinet Secretary for Finance, Employment and Sustainable Growth I will ensure that the Scottish Government remains a key and active partner in driving the actions required to tackle the gender-gap in enterprise. This publication is the start of a sustained journey; alongside ‘Scotland CAN DO’ and through acting in a collaborative and complementary manner across the sectors, we will I am certain see our all of our people lead our nation towards being recognised globally as a hub for entrepreneurship and innovation.
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 Strathclyde University and the UK Enterprise Research Centre, 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 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 on-going 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 that, 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
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, Scotland’s rates of female business ownership are persistently low relative to other high income countries. 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 a 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
Jackie Brierton MBE, Women's Enterprise Scotland

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 (including social enterprises) 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 targeted to 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-focused training courses or networking events for women. This may particularly be the case for women from minority ethnic communities, women who have limited experience of running a business, or those 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.

Examples of 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. And there are now five RBS Inspiring Enterprise projects in Scotland which provide specific support to women setting up businesses or social enterprises.

We recognise that many women, especially those within already established businesses, view the prospect of women-focused 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 sought feedback, suggestions and ideas during the consultation period of this Framework.
The conclusion to our four initial 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 was required and not a statement of principle.

The draft document was launched at the Women’s Business and Enterprise Conference in Glasgow on 9th May 2013 by the Minister for Youth Employment, Angela Constance MSP. An informal consultation process followed and the document was widely circulated and shared with a number of interested individuals and organisations. The consultative period ended on 30th September 2013.

Responses to the consultation were submitted from a broad range of women business owners and stakeholder organisations, and the themes, with associated actions, were generally well received. In particular, there was overall agreement that gender-focused business support is required in order to deliver outcomes.

A majority of responses expressed a desire to see long term commitment to this work in Scotland, with the provision of adequate resources to enable sustainable progress and a commitment to collaborative working from all relevant stakeholders.

It was also evident from comments supplied that this Framework and Action Plan is the minimum level of commitment to women’s enterprise development that respondents would wish to see.

The original proposals have been adapted to reflect some of the ideas and feedback received through the consultation. Their would-be owners cut across private, third and public sectors. This reaffirms a key finding from our discussions and consultation that no single agency or initiative can alone tackle this issue. Instead, for success to be realised, all of us must work together.
PROPOSED ACTIONS

1. Mentoring & Networking

• **We will** ensure that the needs of existing business women and aspiring female entrepreneurs, identified through our workshops and from wider review, are accounted for within the on-going Scottish Government facilitated review of mentoring.

• **We will** develop a network and online database of appropriate mentors committed to offering support targeted to women starting and growing their businesses (this action will be developed complementary to the Role Model Project).

• **We will** develop a peer-group support model based on good practice and facilitate a ‘skills-based’ network for collaborative support.

*These actions will be led by WES and the Scottish Government and we will engage with: Scottish Chambers of Commerce, Scottish Enterprise, Highlands & Islands Enterprise, Business Gateway, The Prince’s Trust Youth Business Scotland, Young Enterprise Scotland, Entrepreneurial Spark and the Entrepreneurial Exchange.*

2. Role-Model Project

• **We will** establish a ‘role-model’ initiative, recruiting a team of female and male business ambassadors from a range of backgrounds, business sectors and geographies. The role-models will receive appropriate training and be promoted for media opportunities, conferences and events, initiatives in schools, launches, research etc.

*This project will be led by WES and will be supported by the Scottish Government.*

3. Markets & Finance

• **We will** increase the number of women angel-investors and equity investment in female-led businesses.

*This work will be led by Investing Women who, supported by the Scottish Government, will work with LINC Scotland, RBS and local authorities to help women-led businesses become investment ready and draw more successful women into angel-investing.*

• **We will** work with ‘WE Connect’ to develop a distinct Scottish presence and identity – developing access to procurement opportunities with corporate businesses and the public sector.

*This will be led by WES who, working with Scottish Enterprise and Highlands & Islands Enterprise, will liaise with WE Connect.*

• **We will** work with Co-operative Development Scotland on raising awareness and development of the collaborative (or consortium cooperative) model.
Co-operative Development Scotland will engage with WES to see how they can most effectively support women-led businesses

• **We will** explore the creation of a 'soft-loan-fund' and/or microcredit for women establishing enterprises.

*WES will liaise with RBS and Grameen Bank on requirement and feasibility.*

### 4. Gender Specific Support

• **We will** encourage banks to focus on opportunities to develop their female customers’ businesses and will offer to provide training and awareness to frontline bank staff on issues faced by female-led businesses.

*WES will set-out to work with banks in Scotland and will liaise with RBS on this approach.*

• **We will** extend enterprise support ‘reach’ targeted to women not already benefitting from mainstream support and provide an online and phone service to provide pre-start advice and signposting to existing services.

*WES will be supported by the Scottish Government towards this goal. We will liaise with Scottish banks, Business Gateway and women’s support organisations to deliver this.*

### 5. Other

• **We will** ensure that ‘Women in Enterprise’ is clearly comprehended as being an area of economic priority and will ensure women’s enterprise is supported across government and through our agencies.

*The Scottish Government will commit to maintaining momentum towards tackling the gender gap in enterprise.*

• **We will** develop education and training opportunities to encourage women into enterprise.

*The Scottish Government will apply the lessons of this work towards the support for entrepreneurial learning across our schools, colleges and universities as set out on ‘Scotland CAN DO.’*

• **We will** develop a more cohesive and ‘joined-up’ online women’s business community and raise awareness of existing resources and services across the public, private and third sectors.

*Together; the Association of Scottish Businesswomen, WES and 3rdi will work with providers to develop this action.*

• **We will** gain a better understanding of customer satisfaction in relation to current support networks and will commission a longitudinal qualitative/quantitative research study on the experiences of female business owners in Scotland.

*The Enterprise Research Centre at Strathclyde University will work with all relevant partners to scope and provide this required understanding.*
These proposed actions have been influenced by the contributions to the consultation process carried out in 2013 and we are grateful to everyone who responded to the online survey. As made clear at the beginning of this document, the participants of our original workshops made no claim to having all of the answers needed to tackle the gender gap in enterprise, and it will require strong partnership and collaborative working to ensure that we make Scotland a great place for women’s enterprise in the years to come.
ABOUT WOMEN’S ENTERPRISE SCOTLAND

Women’s Enterprise Scotland (WES) is a community interest company, which provides inspiration, information and a voice for women in business.

It promotes female entrepreneurs in the media, influences government policy and economic strategy, and collaborates with private, public and third sectors to promote women's enterprise as an economic driver.

INSPIRING... more women in Scotland to set up and grow their businesses or social enterprises.

INFORMING... women in Scotland of help available and where to go for support.

PROVIDING A VOICE... for women to influence and advocate for women’s enterprise to be at the centre of Scotland’s economic development policy and strategy.

INFLUENCING... government and private sector thinking, policy and strategy on the economic and business opportunities presented by increasing women owned businesses.

PROMOTING... women's enterprise in the media; breaking down any barriers and preconceptions which create a failure to recognise the full economic potential of women.

WES WORKS IN PARTNERSHIP WITH MANY ORGANISATIONS ACROSS THE ENTERPRISE ECO-SYSTEM IN SCOTLAND.

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87% of women want to grow their businesses
27% want to grow rapidly

Women-led businesses contribute more than £5 billion towards the Scottish economy

If rates of women-led businesses equalled that of men, the contribution to Scotland’s GVA would increase to £13 billion

70,000 women are registered business owners

Women-led businesses contribute more than £5 billion towards the Scottish economy

94,000 women in Scotland are self-employed

71% of 343,000 SMEs are led by women

AMBASSADORS
MENTORING AND NETWORKING
ACCESS TO FINANCE & MARKET INTELLIGENCE
GENDER SPECIFIC SUPPORT
THE ORGANISATIONS INSTRUMENTAL IN THE CREATION OF THIS DOCUMENT WERE...