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Greater Return On Women's Enterprise

GROWE

The UK Women's
Enterprise Task Force's
Final Report and
Recommendations

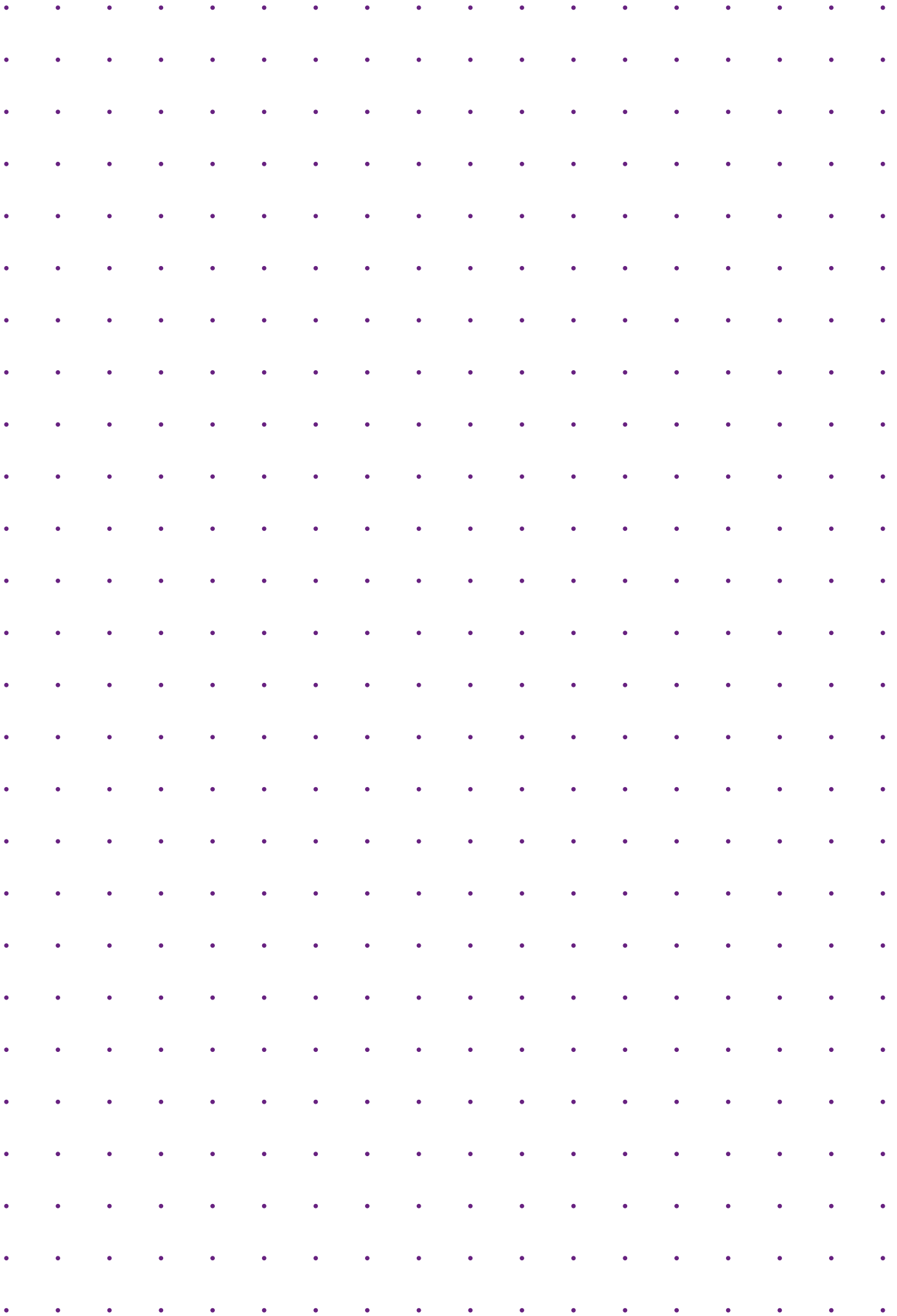


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Glenda Stone and Pam Alexander,
Co-Chairs, Women's Enterprise Task Force

Foreword

In 2006, Gordon Brown gave us the task of advising how to increase the quantity, scalability and success of women's enterprise in the UK. Our remit was to provide input to Government on key policy areas affecting the ability of women's enterprise to achieve its full potential for the UK economy.

Over the past three years we have made the case that the under-representation of women in enterprise is primarily an issue of economics, not of equality. The statistics demonstrate that women entrepreneurs already make a significant contribution to the UK economy – some £130 billion in turnover. There is huge potential for them to achieve more, aiding economic recovery. Bridging this aspect of the productivity gap with the USA would add £23 billion in Gross Value Added to the UK economy each year, creating another 900,000 businesses.

This report sets out the progress and achievements the Women's Enterprise Task Force has witnessed; the evidence of gaps still to be filled in the policy framework; and our recommendations to Government. We have brought together the available evidence that identifies which issues remain, and have set out the economic argument for supporting women's enterprise by addressing these issues. The report also sets out key recommendations that the Task Force believes must be carried forward in order to support women entrepreneurs in achieving their economic potential. We have identified those bodies which we believe have the necessary influence to take forward this important agenda.

We highlight the critical need for commitment and drive from both public and private sector, in order to deliver these recommendations and ensure women-led businesses play a full part in driving UK plc forward to sustainable economic recovery.

It is an honour to have been involved in this Task Force on an agenda for which we share a strong personal passion. We would like to extend our heartfelt thanks to our fellow Task Force members, who have been energetic champions of women's enterprise in their respective sectors. We also thank all those in the public and private sectors who have aided our work along the way. We have great confidence in passing to you the role of women's enterprise champions and advocates, in order to take this vital agenda forward.

“Over the past three years we have made the case that the under-representation of women in enterprise is primarily an issue of economics, not of equality.”



Pam Alexander CEO

South East England Development Agency
Co-Chair, Women's Enterprise Task Force



Glenda Stone CEO

Aurora
Co-Chair, Women's Enterprise Task Force

1. Executive Summary

Vision

This Women's Enterprise Task Force (WETF) report, *Greater Return On Women's Enterprise* (GROWE), sets out the economic case for women's enterprise and advises partners and stakeholders how to achieve a greater economic return from investment in women's enterprise.

The Task Force has framed its recommendations to maximise existing investment and resources. We are mindful of the Government's Business Support Simplification Programme and the effect the recession will continue to have on public spending, and so suggest that relevant Government departments and private sector organisations work together to streamline support and make best use of existing investment.

Achievements

In providing thought leadership to increase the quantity, scalability and success of women's enterprise in the UK, the WETF has informed the national agenda on women's enterprise for the last three years, concentrating its efforts on five specific Pillars:

- 1. gender-disaggregated business data**
- 2. female-friendly business support**
- 3. access to finance and technology**
- 4. supplier diversity and procurement**
- 5. strategic influencing and awareness raising.**

WETF highlights of the past three years include paving the way for a Business Link national data disaggregation methodology whilst influencing and shaping the establishment, direction and implementation of Aspire, a £12.5m women's co-investment fund to support high-growth women-owned businesses. Alongside this, the WETF has played an important role in raising awareness of the economic case for women's enterprise and the potential of female entrepreneurs in aiding the UK's economic recovery. Perhaps most importantly, the WETF met with the Prime Minister and saw important policy developments taken forward in the Government's *Enterprise Strategy* of March 2008.

In 2009 the WETF contributed to the enterprise knowledge bank by producing two research reports into women's enterprise: *Impact of the Recession on Women's Enterprise* and *Myths and Realities of Women's Access to Finance*. The Task Force welcomes progress made by the Ethnic Minority Business Task Force (EMBTF) in the advocacy of complementary areas which include the need for access to finance, disaggregated data and supplier diversity.

Progress

Much of the groundwork for the WETF's work was laid out in the Government's 2003 publication, *A Strategic Framework for Women's Enterprise*. In 2003, it was estimated that women constituted around 27% of self-employed people in the UK, and that only 12-14% of businesses were majority-owned by women (compared to 28% in the USA). Recent figures from 2009 show that women, who make up 46% of the workforce, now constitute nearly 29% of the self-employed in the UK (up 2 percentage points). 15% of the 4.8 million enterprises in the UK are now majority-led by women.

The longer-term quantitative targets outlined in the *Framework* included women accounting for 40% of customers using Government-sponsored business support services; and women-owned businesses accounting for 18-20% of the UK total. Government has gone some way towards achieving these targets. Today, women-owned businesses account for around one third of Business Link customers, a major increase on the 22.3% or nearly 150,000 women customers in Q1 of 2005/6.

However, overall progress has been very slow and neither of the *Framework* targets set for completion by 2006 has yet been met. More work needs to be done to address this and the other issues facing women's enterprise today.

Policy and Economic Context

From the *Strategic Framework for Women's Enterprise*, to the establishment of the WETF and the *Enterprise Strategy*, Government has shown the importance that it attaches to women in enterprise and its recognition of the increased economic benefits women can contribute to UK plc. This must be even more important in emerging from recession.

Recently, Government has produced a policy statement, *Building Britain's Future: New Industry, New Jobs (NINJ)*, which sets out Government's vision for economic recovery and growth by targeted intervention aimed at high-tech, high-growth firms. The WETF has several recommendations for how enterprising women can take advantage of these interventions. Enterprise has a significant role to help women remain economically active and increase the productivity and international competitiveness of the UK.

Justification

This report examines how to further increase the current **£70 billion Gross Value Added (GVA) and £130 billion turnover annual contribution made by women's enterprise** to the UK economy.

Recent figures suggest that 900,000 more businesses would be created if the UK achieved the same levels of female entrepreneurship as in the US, resulting in an additional £23 billion GVA to the UK economy, **thus largely closing the productivity gap with the US.**¹ In Britain alone, 150,000 extra businesses would be created per annum if women started businesses at the same rate as men.²

This is especially pertinent in this time of recession. With effective, targeted support, increasing the number of women entrepreneurs will be an important factor in driving economic recovery.

¹ BIS Enterprise Directorate Analytical Unit estimate

² Ibid.

1. Executive Summary

The Path to Getting More Women Involved in Enterprise

This GROWE report identifies the points at which women may need further targeting with existing business support initiatives. For example, in the very early stages of their business's lifecycle, they may need to consider joining wider networks to benefit from contacts and business development; and when their businesses grow, they may need to look at finance options such as angel investment or equity funding.

This report advocates that business support providers should target provision to broaden women entrepreneurs' options. This way, more women will be furnished with the appropriate skills to move from thinking about starting up a business to making it a reality; and those already running a business can be inspired and equipped to help their enterprise grow.

Summary by WETF Pillar

This report reviews, by WETF Pillar, what the Task Force has achieved post the *Strategic Framework for Women's Enterprise* in 2003 and the *Enterprise Strategy* of 2008; what gaps remain; and what can best be done to close these gaps. The WETF recognises there is already much good practice being implemented around the country to support women's enterprise. These recommendations seek to build upon both that and the achievements to date of the WETF.

In line with the WETF's remit to provide thought leadership and advice to Government, these recommendations focus on policy and action. The recommendations aim to ensure that current initiatives such as business support products and procurement processes are monitored and evaluated effectively, so that sound and efficient policy interventions can be made based on evidence. WETF recommendations also provide new thinking and action for Government to address. The organisations identified to deliver WETF recommendations are listed in Appendix 8.

Pillar One: Data and Research

One of the most fundamental and longstanding issues facing us is the lack of gender-disaggregated data. Although there is an increased awareness of this issue which has led to some improvements, there remain no consistent and comparable data which have a time series element and which allow researchers and policy-makers to look specifically at entrepreneurial issues (such as finance) by gender. More recently, the lack of gender-disaggregated data has again been highlighted as a weakness in responding to the refreshed sectoral focus that forms part of the Government's plan for recovery under *New Industry, New Jobs* (NINJ).

Recommendation: Better Analysis, Better Understanding

The WETF believes that these issues can be best addressed with greatest benefit through the following measures:

- HMRC to add a tick-box to the VAT Return form, and similarly Companies House to do likewise on the Annual Returns form, to capture gender- and ethnicity-disaggregated company ownership data. This should be done in time to capture business data in the 2010/11 financial year.
- The Equality and Human Rights Commission (EHRC) to use the Gender Equality Duty in the 2006 Equality Act to enforce the gender disaggregation of all publicly-funded businesses and enterprise data and research.
- Public-private partnership to come together to establish a women's enterprise research centre that will cater to both public and private sector research needs and inform policy development.

See page 19 for more detail.



Penny Bailey, Bailey Solutions, Hove

Pillar Two: Business Support

It is vital that current business support services are appropriate, effective and accessible for all potential customers. Business Link (BL) has substantially increased its reach to female customers over the past three years. However, women do also prefer to get advice from family members, networks and other female entrepreneurs.³ Initiatives such as the Women's Enterprise Ambassadors and Women's Business Centre pilots show that engaging women in ways which they value can be very effective in encouraging women into enterprise.

The recession has seen increased unemployment amongst women (although not at the same rate as men), so it is vital that effective structures are in place to enable women to consider self-employment as a viable career alternative. Existing women's enterprise support must be better packaged and communicated to women.

Recommendation: Enabling More Women to Join the Enterprise Economy

The WETF believes that for more women's businesses to be created and experience faster growth:

- Regional Development Agencies (RDAs) must ensure that Business Link further raises the level of participation of women-owned businesses (currently around 30% of their customer base) by using the Government's initial target of 40% (as outlined in the *Strategic Framework*) as an aspirational goal.⁴ RDAs should achieve this by asking Business Link Providers (BLP), as part of their annual delivery planning, to set out how their engagement strategies engage female customers and reach female markets; and reporting on their effectiveness under the Gender Equality Duty.
- Given the extensive opportunities offered by international trading, UK Trade & Investment must demonstrate how it encourages women to trade overseas by raising awareness amongst women of the opportunities on offer and the support available.
- Enterprise UK, with the support of the Department for Business, Innovation and Skills (BIS), should work with RDAs to build the capacity and focus of the 1000+ Women's Enterprise Ambassadors, including enhancing online communities.
- The Department for Work and Pensions (DWP) and BL must work together to establish a strong link between outplacement, redundancy and business support services for women made redundant or wishing to become economically active. At least one Advisor in each JobCentre Plus office should be trained, ideally to SFEDI⁵ standard, to promote self-employment to women as a route off state benefits.

See page 23 for more detail.

³ Delta Economics (2008), Challenges and Opportunities for Growth Survey

⁴ Department for Trade and Industry (now the Department for Business, Innovation and Skills) (2003), Strategic Framework for Women's Enterprise

⁵ The Small Firms Enterprise Development Initiative (SFEDI) is the Government-recognised UK standards-setting body for business support and enterprise. SFEDI researches leading practice and sets standards, principles and guidelines

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Pillar Three: Access to Finance

Access to finance is consistently identified as a barrier to the start-up and growth of businesses, particularly for women. In response to claims of discrimination by lenders, the WETF published a report on the *Myths and Realities of Women's Access to Finance*. This report dispels the myth that women are charged more for bank loans than men – and in fact shows that women are often charged less, as their businesses may be seen as lower risk. However, there is an issue that women do not access adequate levels of finance from a variety of sources for their businesses. They need to access sufficient levels of both debt and equity finance, such as business angel investment, to open up pathways to growth.

Enterprising women can also help the UK to trade its way out of the recession by taking advantage of the opportunities offered by the NINJ strategy. In this strategy, Government is promoting specific industry sectors that it believes will have a major impact on economic recovery: specifically, low-carbon, digital, and creative industries; life sciences; advanced manufacturing and aerospace.

The WETF wants to ensure that women in these sectors benefit from Government's focus and anticipated growth opportunities. Perhaps counter-intuitively, recent figures suggest that approximately one third of female self-employment may be within these sectors. A solid base of up to 360,000 women may therefore already be well-placed to take advantage of Government and other business support to achieve the high growth levels the economy needs.⁶ Women-owned businesses can also position themselves to provide specialist and generic skills support to specific NINJ sectors, making the most of the procurement process and becoming part of larger companies' supply chains.

Recommendation: Driving High Growth

The WETF believes that the environment for growth finance must be improved if women are to realise their economic potential and be enabled to contribute more GVA to help the UK through to recovery. Specifically we recommend that:

- BIS set up an accreditation standard for expert investment intermediaries connecting women entrepreneurs to suitable sources of growth finance.
- Government's Enterprise Finance Guarantee and its new £1 billion Innovation Investment Fund contain a commitment to diversity, evidenced by collecting gender-disaggregated data. In the sectors identified in NINJ, emphasis should be placed on fund deployment that will help innovative women-owned and women-led businesses gain the capital they require to lead growth.
- The Aspire women's co-investment Fund should be better utilised by:
 - having its management put out to the private sector by independent tender as soon as possible
 - any Return on Investment (ROI) should be rolled back into the Aspire Fund or a subsequent female-focused fund(s)
 - the progress and impact of investments should be evaluated to determine what value has been added to women's business growth and to identify best practice
 - when the current £12.5m is expended, a possible second round of funding should be made available, based on lessons learned.
- BIS should consider a programme to encourage high net worth women to become business angels and, with Business Link, continue to raise awareness of the benefits for small businesses of accessing business angel investment.

See page 27 for more detail.

Pillar Four: Procurement

Although women own 15% of British businesses, they win only 3% of public contracts. Generally, women-owned businesses, particularly in the micro and small sectors, are not benefiting from public sector procurement opportunities and are under-represented in this area. Their businesses are often younger, smaller and have less start-up capital than those of their male counterparts. These factors can significantly influence their success in winning public contracts that might help their business grow.

The Glover Review of SME access to public procurement, which was led by WETF member Anne Glover, aimed to improve SMEs' access to public sector supply chains.⁷ The WETF supports its recommendations and proposed reforms and seeks to find ways in which women can benefit from the improved streamlining, transparency and strategic procurement planning reforms proposed.

Recommendation: Business Readiness For Public Procurement

The WETF endorses the drive for a single access portal to Government contracts and recommends that CompeteFor (the procurement portal developed by RDAs for 2012) should be used as a model for this as it has strong links to investment readiness and business support and captures gender- and ethnicity-disaggregated data. Current data suggests that women respond well and in disproportionately high numbers to this kind of online opportunity backed up by appropriate support. 18% of businesses registered on CompeteFor are owned by women.

See page 30 for more detail.

⁶ Annual population Survey, October 2007-September 2008, Office for National Statistics

⁷ Accelerating the SME economic engine: through transparent, simple and strategic procurement (November 2008)

Pillar Five: Strategic Influencing and Awareness-Raising

The WETF believes that it is vital to have a voice for women's enterprise which can provide expert input into the policy-making process in Government, maintain a focus on specific targets, and encourage strong role models to inspire enterprising women. A dedicated forum is needed to keep this crucial issue at the forefront of the policy agenda if enterprising women are to reach their economic potential.

Recommendation: Keeping Up The Momentum

The WETF recommends that business membership organisations should work together to establish a national forum on women's enterprise to advise on national policies and activities. Government should use this forum as a valuable source of business and enterprise expertise and to replace the WETF on the Small Business Finance Forum and the Small Business Forum.

See page 33 for more detail.

Conclusion

These five recommendations set out the key actions the WETF believes still need to be addressed if the UK intends to make the most of women's potential to contribute to the economy through enterprise. Appendix 8 shows more detail of how the WETF suggests these recommendations can be taken forward, and the benefits they will bring.



Helen Walshaw, All Tucked Up, Northern Ireland

1. Executive Summary

Summary of Recommendations

Pillar One: Better Analysis, Better Understanding

To address the current gaps in our knowledge:

1. Companies House and HMRC to add tick-boxes to VAT Return and Annual Returns forms to capture disaggregated women-owned and ethnic minority-owned company data.
2. The Equality and Human Rights Commission (EHRC) to use the Gender Equality Duty to enforce the gender disaggregation of all publicly-funded businesses and enterprise data and research.
3. A public-private partnership to come together to establish a women's enterprise research centre that will coordinate and disseminate learning.

Pillar Two: Enabling More Women To Join The Enterprise Economy

To encourage more women to start and grow businesses:

4. Business Link to further raise the level of participation of women-owned businesses and engage more female customers, and UK Trade & Investment to encourage more women to trade overseas by raising awareness amongst women of the opportunities on offer and the support available.
5. Enterprise UK to build the capacity of the Women's Enterprise Ambassadors and enhance female online communities.
6. At least one Advisor in each JobCentre Plus to be trained to promote self-employment to women as a route off benefits.

Pillar Three: Driving High Growth

To improve the environment for growth finance:

7. BIS to set up an accreditation standard for expert investment intermediaries to bridge women entrepreneurs to sources of growth finance.
8. Government's Enterprise Finance Guarantee and its new £1 billion Innovation Investment Fund to contain a commitment to diversity, including collecting gender-disaggregated data.
9. The Aspire women's co-investment Fund to be privately managed through independent tender, assessed for impact and reinforced.
10. BIS to encourage more high net worth women to become business angels and, with Business Link, to raise awareness of the benefits for small businesses of accessing business angel investment.

Pillar Four: Business Readiness For Public Procurement

To open up access to public contracts:

11. Fully implement the Glover recommendations.
12. CompeteFor (the procurement portal developed by RDAs for 2012) to be used as a model for the new single access portal for public sector procurement.
13. Link business support to finance and procurement opportunities.

Pillar Five: Keeping Up The Momentum

To maintain the currently high profile for this area and provide a focal point for action:

14. Business membership organisations to work together to establish a UK panel of women entrepreneurs to identify ways to deliver growth. Government to use this forum as a valuable source of business and enterprise expertise.
15. Women's Enterprise to retain membership of the Small Business Forum and Finance Forum.

2. Context: The Nature Of UK Women's Enterprise

2.1 Women in Economic Activity

Over the past three decades there have been significant changes in the structure and composition of women's participation in and contribution to the UK economy. Women have become more prevalent in the workplace and the employment gap is narrowing. Over time, one would also expect to see a corresponding increase in the number of women entering self-employment, yet the rate at which this is happening is still relatively lower.

Men are still more than twice as likely to start a business as women and, if a US comparison is made, the enterprise 'gap' in the UK is due to gender. Indeed, around 150,000 more businesses could be created in the UK per annum if women could match men's business ownership levels. With the resulting impact on Gross Value Added (GVA), productivity and international competitiveness it is clear that developing women's enterprise is an economic imperative for the UK.

2.2 Female Self-Employment

Women in enterprise have become more visible in recent years, aided in part by a coordinated strategy to encourage women into business as well as national and regional initiatives clearly targeted at potential and existing female entrepreneurs. Nationally nearly 29% of the self-employed are women, however just 22% of business owners with employees are women.⁸ Female self-employment has been increasing over the past few years, but slowly. Since 2003, female self-employment in the UK has risen by only one percentage point.

Research shows that some women tend to choose self-employment for independence and family.⁹ Around a quarter of women who were self-employed in 2007 gave 'increased independence' or 'for a change' as a major reason for their self-employment, according to the annual Office for National Statistics (ONS) report *Regional Trends 2009*. A fifth of females chose to work as self-employed to help combine 'family commitments/wanted to work at home' and to enjoy 'employment in a flexible manner'. Conversely, men were almost twice as likely as women to say that one of the reasons they became self-employed was to 'make more money'. Nationally about 30% of self-employed women work at home.

In terms of sectoral breakdown, preliminary research suggests that roughly one third of female self-employment is within NINJ sectors - roughly 360,000 self-employed women in the UK. These sectors are advanced engineering, creative industries, energy, low carbon, construction, ICT and financial services. The WETF is very keen that these women should be empowered to take advantage of the opportunities offered by NINJ.¹⁰

2.2.1 Under-Representation

Women make up **51% of the UK population and 46% of those active in the labour market**, yet they remain heavily under-represented in business ownership.

- In Q2 2009, there were 1.085 million self-employed women in the UK, which represents 28% of all self-employed people. This is a 17 percentage point increase since 2000.
- The current number of businesses majority-led by women is 700,000 which represents 15% of the UK's 4.8 million enterprises.¹¹
- HSBC data from 2009 shows that women's business ownership rates decrease as businesses grow. Women are half as likely as men to be involved in start-up activity; own 27% of British businesses with a turnover of less than £500,000; and own only 5% of UK businesses with a turnover of more than £25 million.¹²

The US has actively addressed such under-representation over the past few decades. Proactive policies as early as 1979 in the US have helped move the case for women's enterprise forward through critical structural, funding and legislative changes. In 1976, US levels of female self-employment stood at 26.8%.¹³ From 1982 to 1987, the number of women-owned businesses in the US increased by 57.5% from 2.6 million to 4.1 million, more than twice the rate of all US businesses during the period. This progress clearly demonstrates how addressing the needs and issues of the women's enterprise agenda can generate a real, significant and lasting economic return.

⁸ ONS (2009), *Regional Trends* 41

⁹ *Ibid.*

¹⁰ Annual population Survey, October 2007-September 2008, Office for National Statistics

¹¹ Definition of female majority-led businesses as provided by BIS

¹² HSBC Customer Insight, 2009

¹³ Carter, S (2005), *The Role and Contribution of Women's Enterprise*

2.2.2 Women in Minority Ethnic Communities

For women from minority ethnic communities, the picture varies, mostly due to the fact that often data samples cannot provide meaningful information as they are so small. However, the Global Entrepreneurship Monitor (GEM) tells us the following:

- Women from black communities are twice as likely to be entrepreneurially active as women from Bangladeshi communities; however, women from Bangladeshi communities are still over twice as likely to be entrepreneurially active as white women (although the sample size is small).¹⁴
- Women of mixed ethnicity are over two and a half times more entrepreneurial than white women.¹⁵
- Ethnic minority female entrepreneurship is clustered in areas of multiple deprivation, suggesting that 'employment substitution' is taking place with low-paid work being sub-contracted.¹⁶

The importance of data that is disaggregated by gender and ethnicity is vital to inform policy and measure outputs. Where there are synergies between barriers faced by members of ethnic minorities and women, a joined up approach should be utilised by both Government and delivery agents. The WETF is supportive of the work being carried out by the Ethnic Minority Business Task Force (EMBTF) and is keen to collaborate on issues that address particular barriers faced by minority ethnic women.

2.3 Female Entrepreneurship

GEM has studied women's entrepreneurship in 41 countries, dividing them into two country groups (low/middle-income and high-income) based on their per capita Gross Domestic Product (GDP) and GDP growth rate. Among the report's key findings, GEM suggested that across all 41 countries:

- Women tend to be less optimistic and self-confident than men about starting a business.
- Fear of failure is higher for women in all country groups compared to their male counterparts.
- Women who are employed and have built a social network of entrepreneurs are more likely to become entrepreneurs. The social and economic benefits of working are driving women's entrepreneurship more than increased education or household income.
- There is no gender difference in business survival rates in high-income countries.

According to GEM 2008 data, the level of female early stage entrepreneurial activity in the UK was 49% that of males. In other words, 3.6% of women compared to 7.4% for men started a business. This is in line with other G7 countries, with the exception of the US and Germany where the gender gap is much narrower. Please see Appendix 3, Figure 6, on page 35 for further GEM data and analysis.

There has not been any major uplift in the level of female early-stage entrepreneurial activity in the UK over the period 2002-08 – it has remained constant at just under 4%. Government, Regional Development Agencies (RDAs) and Devolved Administrations (DAs) are promoting enterprise and entrepreneurship in the regions, but women seem to remain a largely untapped resource.

¹⁴ GEM UK (2004)

¹⁵ Ibid.

¹⁶ Harding, R (2007), *The State of Women's Enterprise in the UK*, Prowess

¹⁷ HSBC Customer Insight, 2009

2.4 Characteristics of Women-Owned Businesses

HSBC Bank data shows that women-owned businesses have increased from 17% of total business stock to 34% in the past two decades. The participation of women in entrepreneurship is significant and rising globally, but there is no country in the world where women are more active than men. HSBC data also shows that:

- 1 in 4 businesses in the UK are female owned
- This figure is higher South England and Wales/South West but lower in London (where just 1 in 5 businesses are female owned)
- Female owned businesses are more likely to be involved in retail/wholesale and hotels, and less likely to be in manufacturing/construction
- Around 1 in 4 female business owners have previously run a business, compared to around one third for men.¹⁷

2.5 Government's Response

In 2003 the UK Government published *A Strategic Framework for Women's Enterprise*, which was the first policy response the UK had made to the economic opportunity offered by more women in business. The *Framework* was developed in response to the pressing productivity requirement to encourage more women to start and grow businesses.

In 2004, a Women's Enterprise Panel was appointed to form an action plan, advise Government and recommend an appropriate body to progress the women's enterprise agenda. As a result, the Women's Enterprise Task Force was announced by Government in November 2006. It was agreed that the Task Force should have a role that focused and guided action across the public and private sector to help Government increase the quantity, scalability and success of women-owned businesses in the UK.

“The current number of businesses majority-led by women is 680,000 which represents 15% of the UK's 4.8 million enterprises.”



Gina Woodcraft, Cartwheel, Cornwall

Image courtesy of Richard Austin

3. The Economic Case

3.1 Women and Enterprise

Business ownership or self-employment can offer women a career with strong potential for wealth and job creation, and attracting inward investment. Using both the available data (the patchy nature of which is an issue in itself) and the expertise of its members, the WETF has consistently advocated that the case for supporting women in enterprise is not just one of equality but is a strong economic argument.

3.2 Economic Contribution of Women's Enterprise

Despite constituting just 15% of SME British business stock, women-owned businesses already contribute significantly to the economy, generating an estimated £70 billion GVA and £130 billion turnover annually. In the past few decades, women have contributed more to the world's GDP than new technology or the emerging economies of China and India.¹⁸

The Catalyst Report from 2007 found that on average, Fortune 500 companies with more women on their boards of directors turned in better financial performances than those with fewer women board directors.¹⁹ In addition, when women represent 30% of a board of directors, the profitability of a company increases threefold.²⁰

3.3 Economic Potential

Business start-ups and self-employment, whether male or female, are crucial to employment and productivity growth. Government, RDAs and DAs are already dedicated to promoting enterprise and entrepreneurship in the regions, but women still seem to remain an underdeveloped resource.

Recent estimates indicate that 900,000 more businesses would be created if the UK achieved the same levels of female entrepreneurship in the US, which would result in an additional £23 billion GVA to the UK economy.²¹ In Britain alone, 150,000 extra businesses each year would be created if women started businesses at the same rate as men.²²

Women starting up in business will tend to provide a more immediate contribution to the economy (GDP). For example, just under two in five women come into self-employment from a previous position of economic activity (compared to about one in five men). They are therefore much less likely to be displaced from a position that already contributes to the economy. For these women, self-employment offers an important route back into the labour market (and in some cases, off state benefits, which represents a saving to Government expenditure).

¹⁸ Ernst & Young (2009), Groundbreakers Report

¹⁹ Catalyst (October 2007), The Bottom Line: Corporate Performance and Women's Representation on Boards

²⁰ Gavurin Intelligence (February 2008), Women

executives in the UK

²¹ BIS Enterprise Directorate Analytical Unit estimate

²² Delta Economics (2009), Steady As She Grows

3.4 Impact on National Productivity Gain and International Competitiveness

Entrepreneurship is at the heart of national advantage. The role of entrepreneurship (business start-up and development) in stimulating economic growth and its eminent importance for innovation and enhancing competitiveness is clear. New and thriving businesses generate jobs, wealth, new markets and serve as a vehicle for innovation.

Empirical literature clearly suggests that the number of self-employed people in a country (business owners) has an impact on subsequent growth. However, economic growth also depends on a set of dynamic processes including business culture incentives, an increase in the number of start-ups, easy entry into new markets and continuous innovation. Government needs to ensure that this set of conditions is present and that strategic choices are made to focus resource in areas and sectors where women show most potential.

In the short term, however, there can be considerable multiplier (or knock-on) benefits from businesses starting up, not simply because they grow themselves but because their dynamism stimulates competition and innovation and, in turn, increases productivity in the economy as a whole. According to Delta Economics' *Steady As She Grows* report on growth companies, those owned and managed by women have roughly the same growth, both in terms of employment and turnover, as those owned and managed by men.

Female entrepreneurs are more innovative than their male counterparts; they are more likely to be providing a new product to the market, more likely to be using technology in their products or services

and are more likely to be offering a product that has been developed in the last year.²³ Therefore, supporting women's enterprise could support more innovation in small and medium firms – which could be particularly pertinent with regard to NINJ. Female entrepreneurs are also more highly educated than male entrepreneurs, and are significantly more likely to have a PhD qualification.²⁴ More highly qualified entrepreneurs grow their businesses at a faster ratio.

3.5 Next Steps

Based on the economic case for women's enterprise, the following chapters of this GROWE report set out the issues the Task Force has identified that must be addressed to enable women to fulfil their economic potential. These issues are grouped by WETF Pillar (data, business support, finance, procurement, and advocacy) and are followed by key recommendations for action. The WETF believes these recommendations must be carried out if enterprising women are to be empowered to contribute fully to the UK's economic recovery.



Sonia Blizzard, Beaming, East Sussex

²³ Harding, R (2005), *Achieving the Vision: Female Entrepreneurship*, British Chamber of Commerce

²⁴ *Ibid.*

4. Pillar One – Data and Research

4.1 The Importance of Data

One of the most fundamental and long-standing issues is the lack of robust gender-disaggregated business data sets. The 2003 *Strategic Framework for Women's Enterprise* highlighted the lack of baseline information regarding UK women in business. Key sources of business statistics were not disaggregated by gender ownership, which hindered development of evidence-based policy at the time.

This has improved but more needs to be done to ensure that key data sets are disaggregated. This is essential to fully measure and analyse the impacts of Government's enterprise interventions, which in turn will enable Government to create efficiencies in its public spending.

4.2 Impact

Although increased awareness of the issues has since led to improvements (for example, surveys such as the Global Entrepreneurship Monitor now provide extensive gender-based information), there remains no consistent and comparable data which have a time series element and that allow researchers and policy-makers to look specifically at entrepreneurial issues, such as finance, by gender.²⁵ Government and policy interventions need to be informed by a strong evidence base and the disaggregating of data by gender is essential for this to happen.

Women's enterprise experts in the US have long argued that much of the progress made over the last three decades in the development of women's business ownership and contribution to the US economy has been down to their ability to research, measure and compare business data by gender.²⁶ The establishment of the Center for Women's Business Research in 1992 has ensured a consistent flow of gender-focused research and data which has successfully engaged the corporate and not-for-profit sectors, as well as Government.

“Much of the progress made over the last three decades in the development of women's business ownership and contribution to the US economy has been down to their ability to research, measure and compare business data by gender.”

²⁵ Delta Economics and Women's Enterprise Task Force (2009), *Myths and Realities of Women's Access to Finance*

²⁶ U.S. Small Business Administration Office of Advocacy, *Women in Business* report, October 2001 - <http://www.sba.gov/advo/stats/wib01.pdf>

4.3 Informing Economic Policy and Action

Recently, the lack of such data has again been felt in the refreshed sectoral focus which forms part of Government's plan for recovery under NINJ.²⁷ The WETF is keen to ensure that women-owned businesses should proportionately benefit from the initiatives, funding and support available as part of this new agenda. To achieve this, however, we need robust, substantive, regular and consistent business data which is gender-disaggregated to:

- Fully understand how women in these sectors start and grow their businesses, innovate and finance that innovation, and use technology and intellectual property (IP) to develop their ideas, products and services
- Measure the progress of these businesses in relation to economic recovery and the impact of NINJ measures. We know that women's businesses contribute £70 billion GVA to the UK economy per annum, but we do not know the sectoral breakdown of this contribution. This makes it difficult to highlight the benefits to the NINJ agenda and potential for the future.

Ensuring that businesses have the right skills to drive the economy forward is a critical part of shaping the economic future of the UK and delivering NINJ. Women-owned businesses have an important role to play to ensure that their skills, strengths and needs are driving and contributing to the development of businesses in NINJ sectors as part of a skills activism agenda.

Government should fully commit to providing robust and consistent business data, including performance data, at regional and national levels (including Devolved Administrations) to inform both enterprise policy and activity, for example under NINJ. This should include

disaggregating existing data to provide insight into trends in women's enterprise over time. Examples of specific areas where this data would be particularly valuable include the public provision of finance (eg. the Enterprise Finance Guarantee and the Innovation Investment Fund), grants and procurement (ie to monitor supplier diversity), and UKTI activities.

The VAT dataset, held by Her Majesty's Revenue and Customs (HMRC) is one of the main sources of Government data on currently trading businesses in the UK. Including gender of ownership on VAT returns is a relatively small step for Government, but one which will have enormous positive consequences for our understanding of women's enterprise and, therefore, its future.

VAT-based gender-of-ownership data would enable us to understand trends of women's enterprise (eg. growth in the number and size of women-owned firms, which policies work, etc.), the geography of women's enterprise (eg. in which regions where women are doing well and why), the sectoral location and position of women's enterprise (eg. sectors in which women-owned firms are operating and growing), and most importantly the overall economic contribution of women-owned businesses (eg. contribution to employment and sales turnover by women-owned firms).

In addition, Companies House (which holds annual returns from each company over 18 months old) asks the name of each of the directors. Although neither efficient nor completely reliable, it is possible to determine gender (to 70% accuracy). As Companies House information is collected annually, the data it holds is up-to-date, and changes are easily traceable over time. Another advantage is that this data is publicly

available and can be accessed via commercial databases. Whilst this information is useful, further analysis and streamlining of processes is required.

²⁷ Government recently published a policy statement on Industrial Activism, called Building Britain's Future: New Industry, New Jobs, which sets out which sectors the Government believes it should concentrate on to further economic

recovery – advanced engineering, creative industries, energy, low carbon, construction, ICT and financial services.

4.4 Positive Steps

The WETF brought the case for gender-disaggregated data to the forefront of the agenda, and has worked with RDAs to secure a new Business Link national data disaggregation methodology. Disaggregated client data is essential for tracking the effectiveness of business support for women-owned businesses across the English regions, as well as discerning what further interventions and support are required to improve the quality of service delivery and numbers of businesses being assisted.

The WETF welcomes the Equality Bill's drive to collect gender-disaggregated data, for example through procurement. However, Government must be careful that this is implemented so as to minimise any burden on SMEs. The WETF supports Intellect's response to the Equality Bill consultation.²⁸

4.5 Reducing the Research Gap

More needs to be done with existing gender disaggregated data. Research gaps have included: regional variations in female start-ups (now addressed by the ONS), whether banks discriminate against women (disproved by the WETF), international best practice in supporting female entrepreneurship, and performance differences in women- and men-owned businesses.

A report by Delta Economics commissioned by the National Policy Centre for Women's Enterprise (NPCWE) identified areas which require further investigation to strengthen the economic case for women's enterprise. These include:

- The growth path of female-owned or managed businesses (eg. access to finance, use of business advice, support from professional services, turnover and employee growth, capital invested).
- The barriers, challenges and issues that female-owned businesses have faced compared to male-owned as they have grown.
- The relative innovativeness and growth potential of female-owned businesses compared to male-owned businesses.
- The sectoral make-up of female-owned businesses.
- The returns on investment: if female businesses are in predominantly socially oriented sectors; would social return on investment be a more appropriate way of evaluating their performance than return on investment?²⁹
- The productivity of female-owned businesses compared to male-owned and how this changes over time as their businesses grow.
- The total productivity factor and hence GVA of female-owned businesses compared to male-owned businesses and how this changes over time.

Furthermore, the WETF suggests that improved research is needed to better understand:

- Established and growing women-owned businesses, including for example an analysis by NINJ sector. This is to inform how women-owned business can benefit from the initiatives, funding and support available as part of this new agenda; including the £750m strategic fund announced in Budget 2009.
- The impact of policy interventions through monitoring progress of existing initiatives to get better value for money.
- The skills pool in NINJ sectors (such as low-carbon, advanced engineering, electronics and biosciences) – what women need and the role they play.
- New and current markets in which women start and grow their businesses.
- Why the attrition rate of women in the critical growth phase is high, and how more clearly targeted support could encourage women to grow their businesses.

Understanding women's enterprise in the UK is hampered by the lack of data, research and information available at all levels. Pillar One Recommendations suggest ways in which the WETF proposes this be addressed. Building on this, and existing centres of research excellence, a women's enterprise research centre will provide a focal point for coordinating and improving current data sources whilst encouraging new and relevant research for the future.

²⁸ Intellect Submission to the Government Equality Office, A consultation response to the Equality Bill: Making it work, September 2009. Intellect is the trade association for the UK technology industry.

²⁹ Return on Investment is calculated by dividing the total investment in company by the level of turnover in any one time period. Social return is more complex in that it relies on the company itself having a strong understanding of the financial value of its social, community or environmental impact.

Pillar One Recommendations: Better Analysis, Better Understanding

The WETF believes that these issues can be best addressed with greatest benefit through the following measures:

- HMRC should add a tick-box to the VAT Return forms, asking what percentage of the company is male/female owned. Percent of ownership should be based on the rights, claims, interests or stock in the business. Similarly, Companies House should add a tick-box to section D1 of the AR01 form to capture the gender and ethnicity of company directors, to make disaggregated analysis simpler and easier. This should be done in time to capture business data in the 2010/11 financial year and should be auto-filled year on year to keep regulatory burden on businesses to an absolute minimum.
- The Equality and Human Rights Commission (EHRC) should enforce the gender disaggregation of all publicly-funded business and enterprise data and research under the auspices of the Gender Equality Duty. The EHRC should also ensure that all Government policy reports provide a gender analysis of their impact. The EHRC can then provide gender impact analyses and monitor results, producing annual reports based on available disaggregated data to monitor equalities, and highlight any relevant statistically significant changes to the figures being recorded. These reports should show the following:
 - the number of women-owned businesses registered on their supplier databases supplying products and/or services
 - the percentage of diverse suppliers on formal Preferred Supplier Lists (PSLs)
 - the number of deals and financial amount expended with diverse suppliers.
 These reports should also contain a high-level analysis of the sectors (eg. by NINJ) in which these contracts were awarded together with commentary on any significant changes or issues arising from the data.
- A public-private partnership should come together to establish a women's enterprise research centre that will cater to both public and private sector needs and inform policy development. This could be led by the Women's Business Development Agency (WBDA) with the Economic and Social Research Council (ESRC).

The outputs from such a research centre would lead to a greater understanding and increased inclusion of women's enterprise as a cross-cutting, mainstreamed theme across Government priorities. Subject to demand, private sector companies may commission pieces of research to help better understand the potential of women's enterprise, female customers, female dominated markets and women's investment patterns, to help them gain a competitive advantage. Private sector involvement would also help to ensure the centre's financial stability in the medium term. Such a centre would utilise the better and more consistent data provided by carrying out the WETF's recommendations. This would provide much-needed qualitative and quantitative research and analysis on how women-owned businesses can contribute and best benefit from policy-driven initiatives with subsequent impact on economic growth.

“Improved research is needed to better understand how women in New Industry, New Jobs sectors start and grow their businesses; innovate and finance innovation; and use technology and IP to develop their ideas, products and services.”

5. Pillar Two – Business Support

5.1 Ensuring an Effective Business Support Offer

The 2003 *Strategic Framework for Women's Enterprise* cited the lack of appropriate business support as one of the main barriers for women starting an enterprise. The WETF has worked hard to make business support appropriate and accessible to women and ensured that this was incorporated into Government's Business Support Simplification Programme (BSSP) consultation and product development. The WETF has also ensured that diversity was included within the Small Firms Enterprise Development Initiative (SFEDI) Business Support Standard for all publicly-funded Business Advisors, and has provided feedback on the Business Link portal to maximise female interest in the website.

The results are strong, although there is still a way to go to reach the 40% target set by Government in 2003. Women's take-up of publicly-funded business support has increased. This can to some extent be attributed to the rise in initiatives and standards particularly targeted at business support for women, including social enterprise. For example, **the Business Link service rose from 10% in Q1 2002/3 to 32% in Q4 2007/8** (see Figure 1). Following the publication of the Enterprise Strategy in 2008, the WETF has worked with BIS and RDAs to shape five Women's Business Centre pilots, to further strengthen regional female-friendly business support offers. This has led to the development of a new Women's Business Centre quality standard, currently being piloted in the North West region.

Existing women's enterprise support must be better packaged and communicated to women (eg. through their networks) to make them fully aware of the opportunities enterprise and business support offer, especially at this time of recession.

5.2 Business Link Customer Reach and Satisfaction

In the current context of a recession, when businesses need help to survive and seize new opportunities, we must ensure more than ever that current mainstream business support services continue to be appropriate, effective and accessible for all potential customers, including women.

There is a need for clear guidance to women about which business support products and services are available and best suited to them at all stages of their entrepreneurial journey. For example, in the Invest Northern Ireland Enterprise Development Programme, female participation increased from 34% in 2004 to 48% in 2009 as a result of targeting women.

Figure 1 shows that efforts to improve the reach of Business Link in making publicly-funded business support more accessible have reaped rewards. Since Q1 of 2002/3 the total number of female customers served by Business Link has increased by about 20 percentage points, marking an increase of around 100,000 female majority business owners using the service.

When comparing the usage rates in Figure 1, it is also worth noting that the satisfaction rate has increased by 13.5 percentage points as well. In summary, progress has been made because women are gradually starting to seek Business Link advice more, and its reach has clearly improved with increasing numbers of women being satisfied with its services. However, further progress needs to be made in terms of usage and perceptions of Government provision. Further awareness-raising with women regarding the help and support available to them is still required.

5.3 Business Support – International Dimension

In this difficult economic climate, exporting offers UK companies the opportunity to find new markets and customers, and to gain a competitive edge. Many women, however, are not fully aware of the support available. For example, the London Women's Enterprise Action Plan 2007-2010 suggested that a lack of technical knowledge on how to trade internationally was a primary challenge for women.³⁰

UKTI is well placed to help women-owned businesses to become export-ready and identify lucrative international markets in which they can make the most of fluctuating exchange rates on the pound and thus increase their profits. UKTI already provides support for businesses looking for specific private sector opportunities, joint ventures, investment, and co-operative partnering opportunities, overseas tendering and public sector opportunities, and ways to exploit multilateral aid projects. These market pointers can open a variety of routes to new markets through contracting; and through licensing of intellectual rights to increase businesses sales and networks.

UKTI data shows that around a fifth of UKTI supported firms are classified as being female led and a third have at least one female owner, partner or director from an ethnic minority group. It is also the case that less experienced exporters are more likely to be majority led by female owners, partners and directors. This information indicates that not enough women are exploiting exporting opportunities and that those who do are not very experienced and may need targeted support.

³⁰ London Development Agency, (2007) London Women's Enterprise Action Plan, 2007-2010

5.4 Valued Sources of Support

More needs to be done to increase the number of women exporting by providing them with the right information and building their capacities and capabilities for international trade. For example, the new support available under NINJ from UK Trade and Investment and the Export Credits Guarantee Department should be targeted and communicated to women. Such communication should include strong links with women-friendly business support through Business Link and the regional Women's Business Centres.

Amongst other evidence, data from Business Link also shows that women tend to prefer more intensive, personalised advice.

Figure 2 is taken from the Challenges and Opportunities for Growth Survey (COGS) of high-growth businesses and shows the gender differences in accessing sources of advice. This demonstrates that women value business and entrepreneurial support networks highly, as well as mentoring and coaching, with an impressive 92.3% finding this type of support valuable. Less formal ways of engaging with women, either at local level or online, must therefore be explored further. In contrast to men, 85.9% of women cited family members as useful or very useful sources of advice. Whilst this is not unsurprising given women's motivations for start-up, one might question the objectivity, qualifications and expertise of family members in giving advice.

The Challenges and Opportunities for Growth Survey (Figure 2, page 22) also shows the high value (75.6%) women place on entrepreneurs as sources of advice. The WETF recognised this and played a key role in coordinating the establishment of a national Women's Enterprise Ambassadors network that brings together successful entrepreneurs and enterprise champions across the UK to encourage increased entrepreneurial activity by women. A recent survey of Ambassadors by Make your Mark showed the value of positive role models who can engage with their local communities, whilst the impressive footfall at events demonstrated the appetite and demand for this sort of support.

Many women value the support given to them by Business Link, but also rely on the informal infrastructure offered by business and entrepreneurial networks, including business membership groups. Given women's propensity to benefit from these networks, particularly in terms of business mentoring and coaching, it would be useful to enhance such networks to allow them to benefit even greater numbers of enterprising women.

Figure 1: Business Link Customer Breakdown by Gender

	2002/3 Q1	2005/6 Q1	2008/9 Q4
Total Business Link Customers	184,000	668,254	921,650
% Female Majority Owned Users (Estimate)	10%	22.30%	*25%
Total Satisfaction rate of Female Majority Owned Users	76%	89.80%	89.50%

*based on data from one quarter - Q4 2007-08 saw a figure of 32%. Source: Business Link

5.5 Growing Unemployment

As stated previously, the last 30 years have seen a significant increase in the number of women in the UK labour market. Although it appears that during this particular recession men are bearing the brunt of unemployment so far, women have also been affected.

Women's employment has declined most noticeably in the Finance and Business Services, Manufacturing Industries, Agriculture and Distribution, Hotels and Restaurant sectors.³¹ It is vital that appropriate employment and business support services are ready to provide advice and guidance for women on the path back to economic activity. See Appendix 3, Figures 8 and 9, on page 36 and 37 for further details.

5.5.1 Moving From Economic Inactivity to Self-Employment

The recession could offer the opportunity of self-employment to economically inactive women as well as women made redundant or who left their previous employment by choice. As conditions in the labour market tighten, there is a probability that more women will look towards self-employment or setting up a business as a career choice. Recession conditions could drive women into becoming necessity entrepreneurs, particularly if their partners' jobs become less secure.

BIS and the DWP are already promoting the benefits of self-employment to claimants, and need to take into account both the change in claimants' demographic as a consequence of the recession as well as those not currently claiming. BIS and DWP also need to better understand how to reach women not captured by official statistics, often because they are not working nor claiming benefits, or because they have become part of the informal economy.

There is therefore an urgent need to communicate the opportunities and benefits which self-employment can hold for women. This communication should be present at (amongst others) local community organisations and amenities, to reach out to women who are not engaging with official unemployment or enterprise channels.

It follows that support structures within Business Link, professional advice networks and JobCentre Plus are geared towards offering self-employment as an opportunity to women, for example, through the provision of skills training, access to finance support and business planning support.³² This would ensure that the skills, talent and experience these women have are not wasted, and would help prevent growth in long-term unemployment. Explicit links between JobCentre Plus, corporate human resource departments and Business Link would be an enabling mechanism towards ensuring that such women are able to fulfil their ambitions.

Figure 2: Sources of advice used and their usefulness by gender.

(*= significant at 10%, ** at 5%, *** at 1%)	Source of advice used (% respondents)			% response that advice has proved to be useful or very useful		
	Total	Men	Women	Total	Men	Women
Personal Friend	29.8	29.9	29.5	54.8	53.7	**61.4
Mentor or coach	9.1	9.5	6.3	81.3	80.7	92.3
Another entrepreneur	22.5	23.0	19.3	79.9	80.4	75.6
Business or entrepreneur support network **	6.4	5.2	14.0	46.9	44.3	51.7
Bank **	32.6	31.2	40.6	34.0	33.6	*35.3
Potential investors	6.1	6.2	5.3	47.2	***48.8	36.4
Work colleagues	25.7	25.6	26.1	48.8	56.7	**72.2
Professional (lawyer, accountant, consultant) ***	45.3	44.1	52.7	69.3	**58.7	57.8
Family member ***	27.5	25.8	38.2	28.8	65.8	***85.9
Business link / government business support agency **	21.0	21.2	19.8	78.2	***39.9	32.5
Nobody **	17.2	17.8	13.0	n/a	n/a	n/a

Source: Challenges and Opportunities for Growth Survey, Delta Economics, 2008

³¹ Workforce Series (May 2009), Office for National Statistics

³² Delta Economics on Behalf of the Women's Enterprise Task Force (2009), Impact of the Recession on Women's Enterprise

Pillar Two Recommendations: Enabling More Women to Join the Enterprise Economy

The WETF believes that more women's businesses will be created, bringing more GVA to UK plc, through the following measures:

- Firstly, RDAs must ensure that Business Link further raises the level of participation of women-owned businesses (currently around 30% of their customer base) by working towards the aspirational goal of Government's initial target of 40% as outlined in the *Strategic Framework*.³³ The WETF suggests that RDAs could achieve this by asking Business Link Providers, as part of their annual delivery planning, to set out how their engagement strategies will engage female customers and reach female markets. BLPs can report on this using the robust disaggregated data resulting from the implementation of the EMBTF's BL data strategy, as agreed by RDAs, and under the Gender Equality Duty. The WETF further recommends that Business Link runs a national enterprise awareness campaign to encourage more women to consider enterprise.
- In parallel, based on the huge opportunity offered by international trading, the WETF recommends that UKTI demonstrates how it encourages women to trade overseas, and raises awareness amongst women of the opportunities on offer and the support available. The WETF further recommends that UKTI considers flexing its offer (building on existing best practice) where possible to encourage women to access international markets. This could be done through clearly targeted training, facilitating women's access to trade information; promoting networking and encouraging partner organisations to integrate a gender dimension into their business support provision.
- The WETF recommends that Enterprise UK builds the existing capacity and capability of the Women's Enterprise Ambassadors and enhances female online communities to foster a more supportive environment for women entrepreneurs. This capacity-building should draw upon the current BIS review of women's networks which aims to optimise use of resources.
- To support potential entrepreneurs exiting employment (or from a period of economic inactivity) in the recession, the WETF recommends that DWP and Business Link work together to establish a strong link between outplacement, redundancy and business support services. This will help ensure that skills, talent and experience are redeployed effectively and will in turn improve the support offer itself. The WETF therefore calls on DWP to ensure that an appropriate number of Advisors in each JobCentre Plus are trained (ideally to SFEDI standard) to sensitively and pro-actively promote self-employment to women (and men), both as a route off benefits and at the point of becoming unemployed. This should be supported by skills training and a focus on creating sustainable enterprises, and will further aid women to play an effective part in Britain's economic recovery.

³³ DTI (2003), *Strategic Framework for Women's Enterprise*

6. Pillar Three – Access to Finance

6.1 A Perceived Barrier

Access to finance was identified in the 2003 Strategic Framework as a particular barrier to business start-up and growth. A recent analysis of GEM data demonstrated that “being female increases the probability that an individual will perceive financial barriers to business start-up by around 7.5 percentage points. In turn, these perceptions reduce female start-up rates by between 1.7 to 3.8 percentage points.”³⁴

Addressing this issue, the WETF provided guidance for the National Investment Readiness Framework in respect of female entrepreneurs and published its *Myths and Realities of Women’s Access to Finance* report. This report dispels the myth that women are charged more than men for bank loans – in fact, the research shows that women are often charged less, as their businesses are less highly geared and may be seen as lower risk.

6.2 Fear of Debt

The WETF’s *Myths and Realities of Women’s Access to Finance* report finds that women are more likely to fear debt or to see the cost of finance as too high (see Appendix 3, Figure 10, on page 37). These are two of the main elements underpinning their perception that access to finance is a barrier. However, women are significantly less likely than men to have failed to access finance because of inadequate business planning, which corroborates the discussions held with bankers as part of the research that suggested that women were often perceived as better prepared and a lower risk.

Funding is crucial to launching a successful venture, but on average women’s businesses commence with a third less capital than those of their male counterparts. Under-capitalisation during a business’s start-up phase has a long-term and negative effect on business performance and growth, and ultimately impacts on the ability of women’s enterprise to realise its potential contribution to the UK economy. Women are also far more likely to use bank finance for plugging the gap between what they will invest and what they need, while men make substantially greater use of private investors outside of their personal network.

The UK Survey of SME Finance 2007 aka Big Survey illustrates how a lack of financial education can undermine potential access to equity, and so can impact on the growth prospects for the enterprise involved. For example, 17% of female majority-led businesses did not know how to go about applying for equity finance compared to 4% of male majority led companies (see Appendix 3, Figure 11, on page 38). To achieve a step change in women’s attitude to financing businesses, financial skills need to be embedded in education at the earliest stages. For example, schools should play host to positive female role models from business who can demonstrate with practical examples how financial knowledge can benefit one’s business.

³⁴ Roper, S and Scott, J (2009) “Gender Differentials in Access to Finance for Business Start-Up in the UK – An Econometric Analysis of GEM data”, *International Small Business Journal*, Vol 27, No.2, 149-171

6.2.1 Building Confidence Through the Right Support

The WETF's research identified that women perceive accessing finance as more of a challenge than men do, and than it actually is. However, the myths about banks overcharging women for finance have been dispelled and the Big Survey found there are indeed specific circumstances where women-led businesses may even pay less. This suggests that women need to develop a better understanding of, and confidence about, the different types of finance available.³⁵

Business support therefore needs to help women entrepreneurs to better understand risk. Such support should also encourage women to push the boundaries of their aspiration to grow their business, including exploring different routes to securing capital funding. This will help them scale up their businesses and create jobs.

Confidence building through education and up-skilling needs to be at the heart of supporting women to access finance, and should start as early as possible, with a clear progression path within which women can develop financial knowledge and skills. However, this needs to be complemented by expert support which understands the specific issues faced by women in accessing finance in general and risk capital in particular. Advisors need to understand how, for example, women need to be encouraged to establish aggressive goals and to diversify their sources of finance to include risk (equity) capital.

Accreditation for such advisors would follow demonstration that the individual advisor: understands the subtleties of supporting and advising women-led businesses; has a wide understanding of the general support available for early-stage and growth businesses; and can demonstrate a clear understanding

of the specialist resources available to women-led businesses. Such intermediaries should be incentivised to work with women-led businesses and help build their confidence and financial skills, eg. through regional Investor Readiness programmes.

Another potential avenue for increasing women's access to equity capital is through the Government's UK Innovation Investment Fund. This is one of the largest technology funds in Europe, with £150 million in cornerstone investment in what the Government hopes will become a £1 billion fund for high-tech start-ups over the next ten years. The UK Innovation Investment Fund will not invest in companies, but rather in a small number of specialist technology venture capital (VC) funds that have the expertise to make direct investments.

To benefit women's enterprise, the Charter of this Fund must include a robust commitment to diversity amongst venture capitalists' GPs (General Partners) and their Funds' investment objectives. This would include demonstrating a proactive willingness to seek out innovative VC investment models and leadership teams (therefore including women-owned and women-led companies). It would also act as a catalyst for the development of investment intermediaries.

6.3 High Growth Companies: Paths to Growth

Many Government interventions have focused on the pre-start-up and start-up phases of business development. To work towards enabling the UK to trade its way out of the recession, Government is now promoting specific industry sectors which it believes will have an impact on economic recovery, specifically: low carbon industries, digital, creative, advanced manufacturing and aerospace.

Figures from the ONS' Annual Population Survey October 2007-September 2008 suggest that approximately one third of female self-employment is within these sectors. So a solid base of approximately 360,000 women may already be well-placed to take advantage of Government support to achieve the high growth that the economy needs.

Given the numbers of self-employed women with links to the NINJ strategy, this is the ideal time to re-examine Government's approach to the commercialisation of ideas and research and then to target business support products accordingly. In addition, women-owned businesses could position their businesses where appropriate to provide skills support to specific NINJ sectors, making the most of procurement processes and becoming part of the supply chains of larger companies.

³⁵ Delta Economics and Women's Enterprise Task Force (2009), Myths and Realities of Women's Access to Finance

6.3.1 Financing High Growth

In 2003, the *Strategic Framework for Women’s Enterprise* highlighted the need to support high-growth businesses through increased awareness and use of finance provision, such as venture capital and business angel networks. Encouraging support for higher-growth women-owned businesses has been a major priority for the WETF. Consequently, the WETF influenced and shaped the creation, direction and implementation of the £12.5m co-investment Aspire Fund that aims to support high-growth women-owned businesses and act as a catalyst for similar funds in the future. Aspire was a key feature of the 2008 Enterprise Strategy.

To date, the Aspire Fund has not been as active as the WETF had hoped. Despite the fact that the Fund was announced in Budget 2008, the first deal was not made until July 2009, with a second investment completed in August 2009 and a third the following month. At the time of concluding this report, no further investments have been completed, and anecdotal reports suggest that this has been a disappointment to industry. To rectify this problem quickly, the WETF believes the Aspire Fund should be managed by private sector Fund Manager(s) through an independent tender.

The WETF recommends that further Government-backed investment funds for high-growth women-owned businesses should have strong links to investment readiness programmes and female-friendly business support. Such funds should address different equity and sectoral gaps in the market, helping women-owned businesses in key sectors to be a pivotal part of economic recovery.³⁶

³⁶ Eg. those sectors highlighted under New Industry, New Jobs

6.4 Business Angels

Women need to maximise their chances of successfully raising start-up or expansion capital to grow their companies. At the moment women’s businesses command only 2% of the venture capital available in the UK, and less than 5% of UK business angels are female. More needs to be done to encourage women to consider and explore this form of investment.

As mentioned previously, women have been more likely than men to rely primarily on banks for financing, and this needs to be addressed through educating and encouraging women to access wider sources of finance. Figure 3 shows that patterns of access to finance differ between men and women. Women are far more likely to use bank finance for plugging the gap between what they invest and what they need, whilst men make greater use of private investors outside their networks, such as business angels.

Figure 3: Access to finance: men and women

	Total	Men	Women
Family and friends **	8.7	9.4	3.0
Other private investors (not family/friends) ***	32.9	36.1	7.7
Bank ***	37.9	34.0	68.2
Credit card	0.3	0.4	0.0
Formal equity finance / venture capital	0.2	0.2	0.0
Small Firm Loan Guarantee Scheme *	3.3	3.5	1.5
Other government or public sector grant ***	4.0	2.7	13.6
Other partners and directors *	15.3	16.5	6.1

(* = significant at 10%, ** at 5%, *** at 1%)
 Source: Steady As She Grows, Delta Economics on behalf of the National Policy Centre for Women’s Enterprise, 2009

6.4.1 Benefits of Becoming a Business Angel

Research published by National Endowment for Science, Technology and the Arts (NESTA) in May 2009 in collaboration with the BBAA (British Business Angels Association) reports for the first time that business angels stand to make a substantial profit from investing in start-ups, with an average Internal Rate of Return (IRR) of 22% over four years.³⁷

Women need to be made more aware of the benefits that angel investment can bring, both to the investor and the investee. The specialist intermediaries that we reference in Pillar Three Recommendation could assist with this objective.

³⁷ NESTA and BBAA (May 2009), *Siding with the Angels*

6.4.2 Benefits of More Female Business Angels

Business angel investment provides not only the finance to grow, but also access to experienced businessmen and women who can give important advice, which we know women tend to value. Female business angels typically spend more time with their investee businesses; assisting on strategy development, helping with short term problems, making contacts with suppliers and recruiting members of the management team.

Research has found that women investors are marginally more likely to invest in women-owned businesses. There are no gender differences in the motivation for becoming a business angel, but there are some subtle differences in emphasis. Women are more likely to be motivated by the desire to support the next generation of entrepreneurs (25% saying this was 'very important' compared with 5% of men) and to support socially beneficial products/services (50% of women saying it was 'quite' or 'very' important, compared to 11% of men). As female investors only represent a small percentage of the total investor population in the UK, this represents an untapped potential for growth finance.

Research has also shown that increasing the number of women business angels would have a positive effect on the flow of finance to women entrepreneurs.³⁸ Moreover, if women business angels were more visible as a consequence of their greater numbers, this might encourage more women entrepreneurs to approach them for funding. Higher visibility in the business world of female business angels could demystify some of the misconceptions some women may have about this type of funding.

Pillar Three Recommendations: Driving High Growth

The WETF believes that the environment for growth finance must be improved in terms of awareness and access if women's enterprise is to flourish and to contribute more GVA to aid the UK's economic recovery. This should be done through the following measures:

- The WETF calls for BIS and SFEDI to work together to set up an accreditation standard for expert investment intermediaries to bridge women entrepreneurs to sources of growth finance. This should also tie in with the specialist advice part of Prowess' Women's Business Centre Standard. Providing financial mentors to female businesses should also be given further consideration by RDAs and DAs, eg. by ensuring that the relevant Solutions for Business (SfB) products actively target women.
- Government's Innovation Investment Fund (IIF) and Enterprise Finance Guarantee (EFG) should contain a commitment to diversity based on the economic potential of women entrepreneurs, eg. through the collection of gender-disaggregated data. General Partners in venture capital firms should include a robust commitment to diversity in the investment objectives for their Funds, which could act as an incentive to investment intermediaries. Tying in with NINJ by encouraging growth sectors, emphasis must be placed on fund deployment which will help innovative women-owned and led businesses gain the capital they require.
- The WETF calls for BIS to ensure greater optimisation of the Aspire women's co-investment Fund. Based on findings from work to promote Aspire, the WETF recommends that:
 - the Aspire Fund be put out for private sector management through an independent tender process as soon as possible
 - any Return on Investment be rolled back into a following female-focused Government fund(s) or high-growth women's enterprise targeted activity
 - when the Aspire fund has been fully invested, its progress and impact be evaluated to determine the value it has added to women's enterprise in specific areas, what best practice has been generated, and what more needs to be done
 - when the current £12.5 million is expended a possible second round of funding be made available.
- The WETF recommends that BIS continues to raise awareness of the benefits for small businesses of accessing business angel investment. BIS should study the current barriers for women to becoming business angels, the type of incentives that are required and feasible, and where training and experience is needed. In addition, the WETF believes that BIS should highlight the benefits of becoming a business angel to high net worth women. This could be achieved by supporting a national awareness campaign and capacity-building actions across the UK, building on the success of current female business angels in the public eye.

BIS should access high net worth women through relevant business networks or through the media circuits to encourage wealthy and experienced women (with both the capacity to invest and relevant skills) to become angel investors. BIS and the BBAA should run a campaign showcasing where and how high-growth women-owned ventures have been successful in securing angel and venture capital investment. The aim would be to encourage enterprising women to seek suitable levels and types of investment for their businesses.

³⁸ Harrison, RT and Mason, CM (2007), 'Does gender matter? Women business angels and the supply of entrepreneurial finance', *Entrepreneurship Theory and Practice*, 31, 447-474

7. Pillar Four – Procurement

7.1 Opportunities for New Business

Developing new and more diverse market opportunities is critical if women's entrepreneurship is to grow and enhance wealth creation in the UK.³⁹

Small and Medium Enterprises (SMEs; which women-owned businesses most often are) constitute 97% of businesses in the UK, employing 59% of the private sector workforce and contributing 52% of business turnover. However, SMEs still lag behind in public sector procurement. Nearly three quarters of SMEs rarely or never bid for Government work and over three quarters of SMEs believe that there are barriers to awareness of Government opportunities.

These barriers are even more acute for smaller enterprises. The Annual Survey of Small Business Opinions 2006/7 shows that women-led businesses tend to be smaller. Nine in ten women-led SME employers were micro-businesses (89% compared to 84% overall). In addition, women-led SME employers were more likely to be new businesses than SME employers led by men.⁴⁰ Approximately one in four (26%) was a new business compared to 17% of SME employers that were led by men.

These combined factors can present a set of significant challenges to successfully tender for contracts (see Appendix 3, Figure 12 on page 38). Government and the RDAs have worked to help ensure that the £175 billion a year⁴¹ spent on public sector procurement is made more accessible to all SMEs (including those led by women) and that the case for supplier diversity and appropriate assistance and training is made. Procurement Road Shows, for example, led by the RDAs and supported by both the WETF and the EMBTF, were delivered throughout the regions to help women become procurement-ready. These targeted supplier diversity issues and generated a lot of interest both amongst suppliers and SMEs.

Corporate sector supply chain opportunities for women-led enterprises have also been developed. The WETF secured funding for the initial set-up and launch of WEConnect, a UK supplier diversity accreditation initiative. The UK's corporate businesses also play a pivotal role in increasing business opportunities for women-led enterprises, as the innovative, flexible, cost-effective products and services often presented by women-owned businesses can and will benefit all sectors in the longer term.

Gender-disaggregated data is essential to monitor progress in this area successfully. For this reason the WETF requests Government to encourage and call for public and large private sector businesses to measure, annually, the number of women-owned businesses registered with them to supply business products/services, the number of women-owned businesses on their Preferred Supplier Lists (PSL), and the volume of expenditure per annum with women-owned businesses.

“The WETF believes that the sustainable growth of women's enterprise must be a focus for Government if the UK is to maintain its success in being a world leader for business. ”

³⁹ Harding, R (2007), State of Women's Enterprise in the UK, Prowess

⁴⁰ The Annual Small Business Survey (three year average figures) implies that most SMEs with employees are owned by men, or led by a

management team with a majority of men.

⁴¹ Equivalent to 13 per cent of GDP

7.2 Addressing the Procurement Gap

Women-owned businesses (particularly those in the micro and small sectors) are nevertheless not benefiting as much as they should from public or private sector procurement. They are still heavily under-represented.

As argued in the National Policy Centre for Women's Enterprise paper on procurement, under-representation of women-owned businesses in the supply chain is of great concern for the UK economy. This is because access to these lucrative contracts has a direct impact on the growth and success of these businesses, and thus ultimately the economic contribution of women's enterprise.⁴² Specifically, women still find it hard to build up track records through procurement contracts, as SMEs can find the process very resource-intensive and often have short-term cash-flow problems that restrict the growth potential of their businesses.

The WETF supports the recommendations made by the Glover Review of SME Access to Public Procurement. These recommendations, which have all been accepted by Government, centre on simplifying process to make it easier for SMEs to enter public sector supply chains. The WETF particularly endorses the drive for a single access portal. The WETF has identified the CompeteFor portal as a useful model to encourage supplier diversity.⁴³ Its brokerage service between buyers and potential suppliers throughout the London 2012 supply chain encourages supplier diversity. It also addresses the needs of under-represented groups without track records in procurement. Its useful disaggregated statistics help monitor and inform progress. For example, data from June 2009 obtained from CompeteFor shows that, although only 15% of UK businesses are run by women, 18.2% (13,728) of organisations registered were women-led businesses.



Anya Ledwith, ESHCon, Brighton

⁴² National Policy Centre for Women's Enterprise (2009) Procurement: Fostering Equal Access for Women's Enterprise

⁴³ CompeteFor is an online portal giving the business community unique access to 2012 Games-related business opportunities.

7.3 Procurement and Sustainable Business Growth

There is an overarching issue which is the sustainable business growth of women's enterprises. Clearly targeted business support, financial education, access to finance and procurement opportunities need to be effectively linked to support enterprising women through their entrepreneurial journeys. This must happen to enable women to reach their potential and contribute fully to the UK's economic recovery.

The WETF's research on the Impact of the Recession on Women's Enterprise included a survey undertaken between August and November 2008 (see Appendix 3, Figure 13 on page 39) which found that female entrepreneurs are fully aware of the difficult environment in which they are working, but many operated using low-debt business models. Using flexible employment contracts to avoid high overhead costs meant that revenues and sales for women-owned business were holding up during the downturn. The fact that these female entrepreneurs operate in competitive sectors, such as retail and services, makes this low-cost, low-debt model attractive to larger companies that are looking to source from high quality, reasonably priced and more flexible suppliers. This is an opportunity for enterprising women to make the most of procurement opportunities.

7.4 Procurement Support

The WETF believes that the sustainable growth of women's enterprise must be a focus for Government if the UK is to maintain its success in being a world leader for business. Assisting, guiding and supporting women business-owners in terms of strategic growth are critical. Women entrepreneurs can especially benefit from pre-and post-investment support which helps and encourages growth. This includes, for example, help to understand the funding landscape, development of boards, and how procurement can be a vehicle for growth. To achieve this, access to procurement and procurement-readiness training cannot be seen in isolation.

Businesses also need a well-connected framework of support that links procurement opportunities with other forms of business support aimed at developing and growing a business. Evidence from women-specific programmes shows that participants value the opportunity to attend events that are targeted to their education, support and training needs. Specific investment readiness support would have the added advantage of establishing peer-to-peer networks between like-minded, growth-oriented female-owned businesses. Such a linkage could provide a route to addressing short-term cashflow and track-record problems that restrict the growth potential of women's businesses, and help women-owned businesses to garner the skills required to become fit to supply.

Much has been learnt in this area from the WEConnect UK pilot, which was an accreditation scheme connecting women-owned businesses with corporate supply chains. Good practice piloted by this model should not be lost. To help secure the linkages between procurement readiness and access to the tenders, the Government might choose to consider partnering with supplier diversity accreditation providers such as WEConnect International. This body provides outsourced due diligence on diversely owned businesses for corporate member organisations.



Vivean Pomell, Brynells Hats & Accessories, Birmingham

Pillar Four Recommendations: Business Readiness for Public Procurement

The WETF supports the recommendations made by the Glover Review of SME Access to Public Procurement. These recommendations, which have all been accepted by Government, centre on simplifying process to make it easier for SMEs to enter public sector supply chains. The WETF particularly endorses the drive for a single access portal, and recommends that the Office of Government Commerce (OGC) should use CompeteFor (the procurement portal developed by RDAs for 2012) as a model for this, as it has strong links to investment readiness and business support and captures disaggregated data.⁴⁴ RDAs can provide evidence of good practice in this arena – currently, although only 15% of UK businesses are run by women, 18% of businesses registered on CompeteFor are owned by women.

OGC should regularly review CompeteFor data and use this to arrive at specific evidence-based conclusions to assist women-owned businesses in pursuit of public sector contracts. It would be particularly useful to identify stages of the procurement process where women face more challenges (if any) so that targeted action can be taken.

Procurement-ready training and awareness must be firmly built into regional business support provision. Data to date suggests that women respond well and in disproportionately high numbers to this kind of online opportunity backed up by appropriate support.

⁴⁴ See www.competefor.com

8. Pillar Five – Strategic Influencing and Awareness-Raising

8.1 Women's Enterprise – An Exceptional Economic Opportunity

Both the current GVA contribution and the untapped potential of women's enterprise represent a huge opportunity across the public and private sectors. Supporting women's enterprise can strengthen UK plc, boost our international competitiveness, and help achieve sustainable economic recovery.

We have discussed how women's enterprise currently makes an estimated £70 billion GVA and £130 billion turnover annual contribution to the UK economy, and how women's enterprise could contribute a further £23 billion GVA per annum if UK women were to match the enterprise levels of their American female counterparts.

Research shows that women starting up in business will tend to provide a **more immediate contribution to the economy**, as under two in five women come into self-employment from a previous position of economic inactivity (compared with about one in five men). Women are therefore much less likely to be displaced from a position that already contributes to the economy. For these women, self-employment offers an important route back into the labour market (and in some cases, off state benefits, which represents a saving to Government expenditure).

In addition:

- Female entrepreneurs are **more highly educated** than male entrepreneurs. They are significantly more likely to have a PhD qualification. More highly qualified entrepreneurs grow their business at a faster ratio.⁴⁵
- Female entrepreneurs are **more innovative** than their male counterparts; they are more likely to be providing an innovative product new to the market; more likely to be using technology in their products or services; and more likely to be offering a product that has been developed in the last year.⁴⁶
- Female entrepreneurs are **more likely to have significantly improved an aspect of their business** in the past 3 years (43% compared to 32% for male-led businesses).⁴⁷

These figures combined with women-owned businesses' high levels of performance makes a strong economic case to invest in increasing the quantity, scalability and success of women-owned businesses in the UK.

“Women's enterprise currently makes an estimated £70 billion GVA and £130 billion turnover annual contribution to the UK economy.”

⁴⁵ Harding, R (2005), *Achieving the Vision: Female Entrepreneurship*, British Chamber of Commerce

⁴⁶ Ibid.

⁴⁷ Centre for Business Research, University of Cambridge (2008), *Financing UK Small and Medium-sized Enterprise*

8.2 Continued Championing of the Agenda

There is much more yet to be achieved in the field of women's enterprise – both in terms of the growth of women's businesses and the higher attainment of female entrepreneurs, and in terms of developing the agenda by keeping it at the forefront of people's minds. In the US a great deal of progress has been made through the Small Business Administration, the National Association of Women Business Owners, and the Office of Women's Business Ownership. As a consequence of direct intervention, legislation and continued championing of this agenda, the US has set a high benchmark for other countries to aspire to in terms of increasing the quantity, quality and scalability of women's enterprise.

We have yet to achieve a similar step change in the UK. However, the WETF has both learned and achieved much that is useful during its three years. Informed by the Women's Enterprise Task Force, Government launched the Enterprise Strategy in March 2008; Enterprise: Unlocking the UK's Talent.

It aimed to establish an enterprise culture which would assist people to fulfil their ambitions by starting, growing and innovating in business. Within this strategy was a clear commitment to women's enterprise, through such measures as the establishment of the Aspire women's co-investment fund and regional Women's Business Centres. The WETF has also learned that having a clear, national voice for women's enterprise is essential for providing an expert overview of women's enterprise issues and progress (regional, national and international) to both Government and business.

Evidently, the achievements post publication of the 2003 Strategic

Framework, the formation of the Women's Enterprise Panel and the appointment of the WETF (2006-2009), are only 'scratching the surface'. **The economic case for women's enterprise needs to be more effectively embedded into mainstream Government policy and business support if it is to have the impact needed on productivity and the competitiveness gap of the UK.**

There is also a need to more effectively segment women into specific target groups with the potential to make a greater impact on future economic growth. Examples include female graduates (now outnumbering male graduates in both numbers and achievements); women entrepreneurs in science, engineering and technology sectors; women from minority ethnic and new communities; and older women with experience and skills to contribute to the business world. The majority of existing UK gender-disaggregated business data has little or no segmentation of this nature.

In a period of harsh recession (and the absence of a national Women's Enterprise Task Force), promoting the benefits of increased women's business ownership is essential, and Government and industry must act swiftly and consistently to safeguard the position of women's enterprise. Policy-makers need to continue to address the issues still facing women-owned business and work closely with private sector and female entrepreneurs to fully embed the economic case for women's enterprise at the very heart of Government. There is also a consensus amongst female entrepreneurs themselves that more still needs to be done to champion and position the role of women's enterprise in the economy. Many of those surveyed by the WETF do not want to be seen

as "victims" of the recession as this undermines their complex efforts within the challenging environment – on the contrary, they are keen to play an active part in enabling recovery.⁴⁸

Given the significant opportunity offered by women's enterprise, the WETF strongly urges key public and private sector partners and stakeholders to collaborate and continuously and actively advocate for increasing the quantity, scalability and success of women's enterprise in the UK.

⁴⁸ Delta Economics on behalf of the Women's Enterprise Task Force (2009), Impact of the Recession on Women's Enterprise

Pillar Five Recommendations: Keeping up the Momentum

The WETF believes that one of the most important areas to be addressed moving forward is continuity of focus on high-growth women's enterprise in the UK.

The WETF therefore recommends that this specific area be taken forward in terms of advocacy, development and support. The WETF proposes that business membership groups establish a national forum of experienced high-growth women entrepreneurs and experts (possibly called a Women's Enterprise Forum), with the specific shared mission of increasing the tangible growth of UK GVA through women's enterprise.

Industry representative bodies should each nominate a high-growth women entrepreneur member who is passionate about improving UK women's enterprise. This member would participate in this panel or forum and encourage action across industry that drives this shared mission of women's enterprise growth. An increase in the number of women accessing VC and angel investment, and in the number of women-owned businesses that turn over >£1 million each year would be useful measurement indicators.

Government should then consult with this group to help inform national enterprise policy and related activity. This forum should be integrated into Government's main sources of business and enterprise advice, eg. membership on the National Business Council. The WETF further recommends that BIS retains women's enterprise representation on the Small Business Finance Forum and the Small Business Forum.

“There is much more yet to be achieved in the field of women's enterprise – both in terms of the growth of women's businesses and the higher attainment of female entrepreneurs.”



Marilyn Comrie, Leadergen, Manchester

Appendices

Appendix 1. Table of Figures

Figure 1: Business Link customer breakdown by gender

Source: Business Link National, 2002-2009

Figure 2: Sources of advice used and their usefulness

Source: Challenges and Opportunities for Growth Survey, Delta Economics, 2008

Figure 3: Access to finance: men and women

Source: Steady As She Grows, Delta Economics on behalf of the National Policy Centre for Women's Enterprise, 2009

Figure 4: Recent trends in male and female self-employment

Source: ONS Labour Force Survey, January-March 2009

Figure 5: Service delivery channels used by female customers

Source: Business Link Customer Satisfaction Survey, 2008-2009

Figure 6: Total early-stage entrepreneurial activity by gender in the UK

Source: GEM Adult Population Survey, 2002-08

Figure 7: Number of female customers (businesses majority-owned by women)

Source: Business Link Reference Tables (estimates prior to 2008/9)

Figure 8: Workforce jobs by industry and sex

Source: Office of National Statistics, May 2009

Figure 9: Impact of the recession to UK sectoral employees by gender, (000s)

Source: Oxford Economics, 2008-2010

Figure 10: Reasons for failing to access finance by gender

Source: GEM UK 2007 Adult Population Survey, (*Myths and Realities of Women's Access to Finance* report, WETF, 2009)

Figure 11: Reasons for not applying for equity finance by gender of leadership

Source: The UK Survey for SME Finance (aka Big Survey) 2007, University of Cambridge, Centre for Business Research

Figure 12: ASBS Business Leadership

Source: Annual Small Business Survey

Figure 13: Business growth challenges by gender

Source: WETF, *Impact of the Recession on Women's Enterprise*, 2009

Appendix 2. List of Acronyms

BBAA	British Business Angels Association
BCC	British Chambers of Commerce
BVCA	British Private Equity and Venture Capital Association
BL	Business Link
BLP	Business Link Provider
BSSP	Business Support Simplification Programme
CBI	Confederation of British Industry
CfEL	Capital for Enterprise Limited
BIS	Department for Business, Innovation and Skills ⁴⁹
DWP	Department for Work and Pensions
DA	Devolved Administrations
EFG	Enterprise Finance Guarantee
EUK	Enterprise United Kingdom ⁵⁰
EHRC	Equality and Human Rights Commission
EMBTF	Ethnic Minority Business Task Force
ESRC	Economic and Social Research Council
FSB	Federation of Small Businesses
GEO	Government Equalities Office
GEM	Global Entrepreneurship Monitor
GVA	Gross Value Added
HMRC	Her Majesty's Revenue and Customs
IIF	Innovation Investment Fund
IOD	Institute of Directors
NINJ	New Industry, New Jobs ⁵¹
OGC	Office of Government Commerce
ONS	Office for National Statistics
Prowess	Promoting Women's Enterprise Support
RDA	Regional Development Agency
ROI	Return on Investment
SfB	Solutions for Business
SFEDI	Small Firms Enterprise Development Initiative
UKTI	United Kingdom Trad & Investment
VC	Venture Capital
WBDA	Women's Business Development Agency
WWC	Women and Work Commission

⁴⁹ Formerly Department for Business, Enterprise and Regulatory Reform (BERR) and prior to that the Department of Trade and Industry (DTI)

⁵⁰ Formerly Enterprise Insight, also known as Make Your Mark

⁵¹ Part of Building Britain's Future, the Government's vision for Britain under economic recovery.

Appendix 3. Further Data

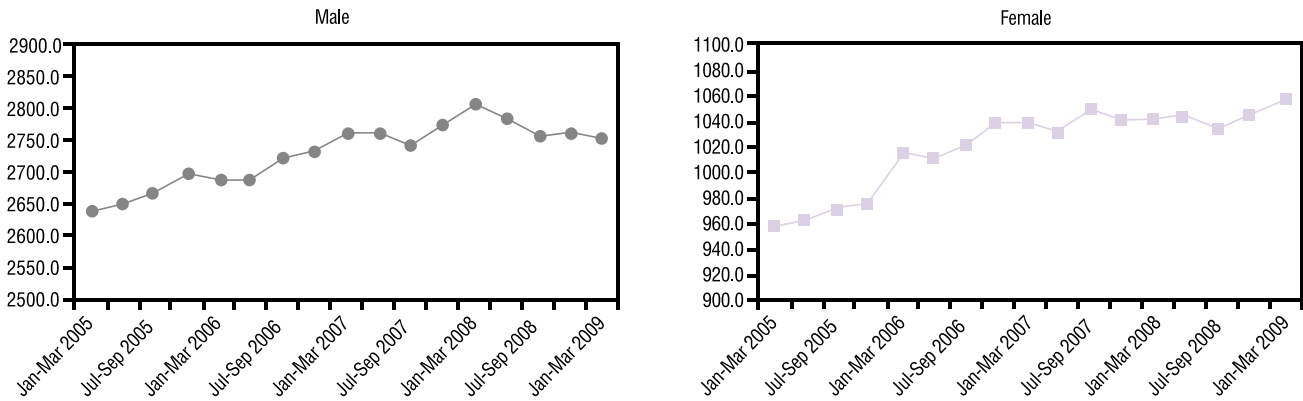


Figure 4: Quarterly recent trends in male and female self-employment ONS Labour Force Survey, January-March 2009

	Quarter 1 2008/09		Quarter 3 2008/09	
	Female Managed (%)		All Customers (%)	
Intensive Assistance	31	39	30	37
Enquiry Response	44	40	41	39
Workshop/Event	16	13	22	16
Other (Light Touch)	8	8	7	8

Figure 5: Service Delivery Channels used by Female Customers

Source: Business Link Customer Satisfaction Survey
 Quarter 1 and Quarter 3 2008/09. Unweighted Bases Q1: Female Managed businesses = 1,830, All customers - 7,642. Q3: Female Managed businesses = 1,702 All customers = 7,627

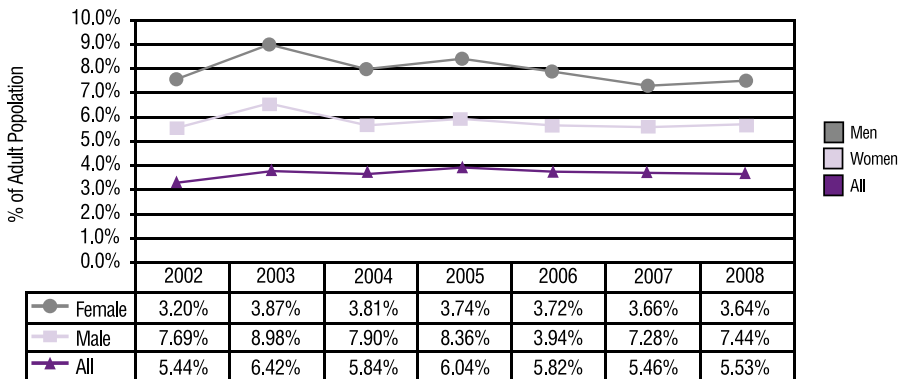


Figure 6: Total early-stage entrepreneurial activity by gender in the UK, 2002-08

Source: GEM APS

Appendix 3. Further Data

	%	Number of Customers
Q1 2005/2006	22.3	149,021
Q2 2005/2006	23.2	158,828
Q3 2005/2007	23.1	159,157
Q4 2005/2007	23.4	173,212
Q1 2006/2007	25.2	187,024
Q2 2006/2007	25.3	199,173
Q3 2006/2007	24.3	194,271
Q4 2006/2007	25.9	205,320
Q1 2007/2008	29.8	201,781
Q2 2007/2008	29.3	196,535
Q3 2007/2008		
Q4 2007/2008	31.5	251,324
Q1 2008/2009	35.9	308,302
Q2 2008/2009	34.2	311,456
Q3 2008/2009	28.8	271,375
Q4 2008/2009	25.2	237,426

Figure 7: Number of Female Customers (businesses majority-owned by women)

Source: Business Link Reference Tables (estimates prior to 2008/09). Data missing in Reference Tables for Q3 2007/08

	All Jobs A-O	Agriculture Forestry & Fishing	Mining Energy & Water Supply	Manufacturing Industries	Construction	Distribution Hotels & Restaurant	Transport & Comms	Finance & Business Services	Education Health & Public Admin 3	Other Services	Total Services
Male Jobs											
Dec 07	16,868	337	142	2,373	2,002	3,495	1,412	3,729	2,412	965	12,014
Dec 08	16,660	363	142	2,277	2,026	3,408	1,396	3,633	2,417	994	11,848
Change on year	-208	26	4	-96	23	-86	-16	-97	5	29	-166
Change %	-1.2	7.7	3	-4	1.2	-2.5	-1.1	-2.6	0.2	3	-1.4
Female Jobs											
Dec 07	14,734	122	49	789	235	3,555	460	2,972	5,550	1,001	13,539
Dec 08	14,658	118	51	758	259	3,483	464	2,848	5,647	1,030	13,473
Change on year	-76	-4	2	-32	24	-72	4	-124	97	29	-66
Change %	-0.5	-3.2	3.1	-4	10.2	-2	0.9	-4.2	1.7	2.9	-0.5

Figure 8: Source Workforce Series

1. Workforce Jobs are a measure of jobs rather than people. For example if a person holds two jobs each job will be counted in the Workforce Jobs total. Workforce jobs figures come from a variety of sources and where possible from the employer rather than the individual. Employee Jobs (which is much the largest component of Workforce jobs) come from quarterly surveys of employers carried out by the ONS and administrative sources. 2. Standard Industrial Classification 2003. 3. Education health and public administration includes both public and private sectors.

Source: Office of National Statistics, May 2008

	Male	Female	Total
Agriculture	2	1	3
Extraction	-2	0	-3
Utilities	2	1	2
Construction	-67	-12	-79
Distribution	-89	-102	-190
Hotels & Catering	-32	-54	-86
Transport & Comms	-31	-16	-48
Financial services	-55	-52	-107
Business services	-183	-160	-343
Public Admin	-14	-11	-25
Education	5	16	21
Health	15	57	73
Other personal services	-32	-39	-71
Total	-670	-440	-1110

Figure 9: Impact of the recession to UK sectoral employees by gender, 2008-2010 (000s)

Source: Oxford Economics

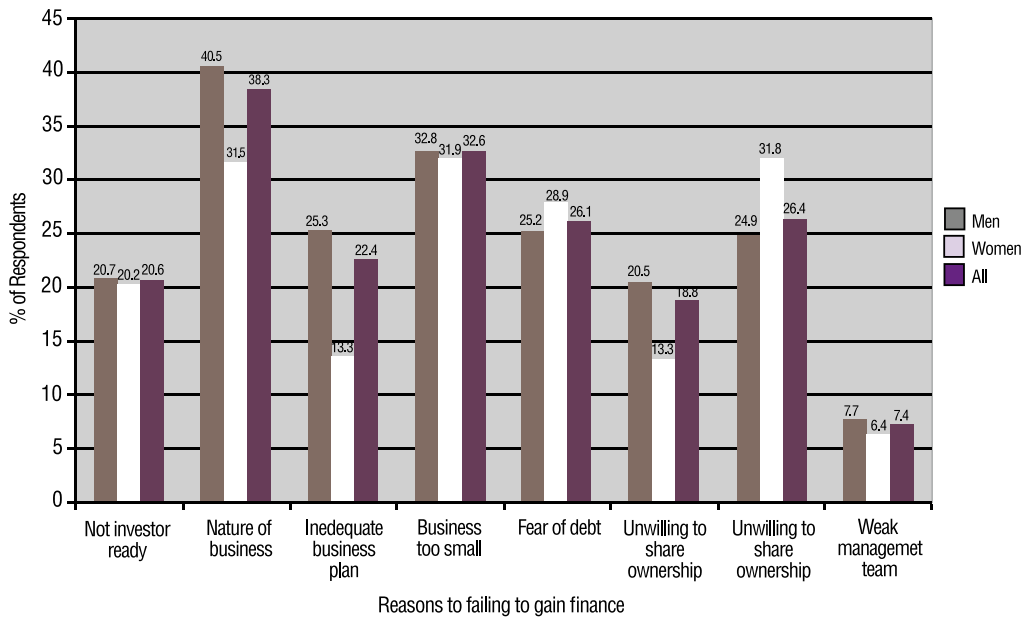


Figure 10: Reasons for failing to access finance

*** Significant at 1% level; ** Significant at 5% level; Significant at 10% level

Source: GEM UK 2007 Adult Population Survey, (Myths and Realities of Women’s Access to Finance report, WETF, forthcoming 2009)

Appendix 3. Further Data

Category	Male led(a)	Female led(b)
Don't want give up control of business	34%	31%
Do not need it as have finance from other sources	33%	25%
Do not this type of finance	34%	23%
Happy with the product we have	4%	17%
Thought it would be time consuming	3%	2%
Thought it would be too expensive	3%	1%
Thought I would be turned down	1%	0%
Other	3%	10%

Figure 11: Reasons for not applying for equity finance by gender of leadership

Source: The UK Survey for SME Finance (aka Big Survey) 2007, University of Cambridge, Centre for Business Research

(a) Base: Male majority led companies that did not apply for new equity finance: n=934,214 (Unweighted: n=942);

(b) Base: Female majority led companies that did not apply for new equity finance: n=209,992 (Unweighted: n=129)

Measure		2003	2004	2005	2006	2007
ASBS Business Leadership	Majority-led by Women	-	-	17.0 ¹	16.2 ²	14.6 ³
	Equally-led	-	-	18.7 ¹	21.8 ²	23.5 ³
-All business (0-249 employees)	At least 50 per cent female leadership	-	-	35.8 ¹	38.1 ²	38.2 ³
ASBS Business Leadership	Majority-led by Women	12.3	14.4	12.3	14.0	14.3
	Equally-led	25.7	24.1	28.9	26.1	24.4
-All SME employers (1-249 employers)	At least 50 per cent female leadership	38.0	38.5	41.2	40.1	38.7

Figure 12: ASBS Business Leadership

Source: Annual Small Business Survey

1,2,3: Proportions for all businesses are three year average figures from ASBS

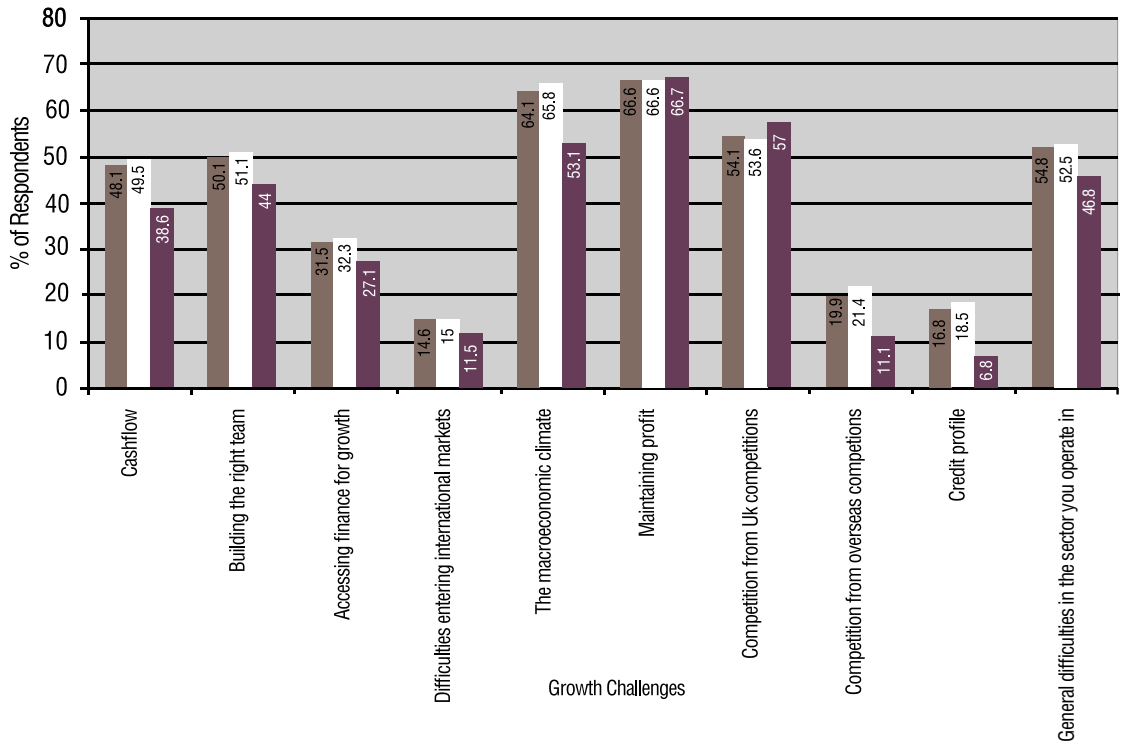


Figure 13: What are the biggest growth challenges you are currently facing?

Source: Delta Economics and Women's Enterprise Task Force (2009), Impact of the Recession on Women's Enterprise

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Appendix 5. Acknowledgements

Membership of the UK Women's Enterprise Task Force reported to Baroness Vadera, Parliamentary Under Secretary of State for Business and Competitiveness. The members have been as follows:

Pam Alexander, Chief Executive, SEEDA (co-Chair)

Pam has been CEO of the South East England Development Agency (SEEDA) since January 2004. Pam is Chair of the Peabody Trust; a non-executive Director of The Housing Finance Corporation Ltd; and a Board member of Brighton Dome and Festival Ltd. Pam is a member of the Small Business Finance Forum.

Dr Glenda Stone, CEO, Aurora (co-Chair)

Glenda is CEO and founder of online recruitment marketing and data company, Aurora. Her international career spans central Government, education, international trade and investment, and the digital economy. Glenda is an angel investor, has won and judges various business awards, and is regularly quoted in the media on business issues.

Sumerah Ahmad, co-Founder & MD, Club Asia Radio

As co-founder of CLUB ASIA Radio Sumerah joined her sister in launching the station in 2003 targeting London's Asians. Sumerah created and translated the Club Asia brand and vision into every aspect of the company's music, programming, production and development strategy. Sumerah heads up the company's growth activities translating the brand across sectors.

Professor Sara Carter OBE, Hunter Centre for Entrepreneurship, University of Strathclyde

Sara Carter is Professor of Entrepreneurship and Head of

Department at the Hunter Centre for Entrepreneurship, University of Strathclyde Business School. She has researched and published extensively on issues relating to women's business ownership.

Valerie Dwyer, Managing Director, Valerie Dwyer Group/Strategic Insight; Principal, My Wonderful Life Coach™

Valerie Dwyer, Serial Entrepreneur, Coach, Mentor, Author, 'Vision' specialist, and Inspirational Speaker, founded 10 ethical, enterprises, supported 2,000 businesses to start and grow, one sold for \$32m. Female leadership firsts: President, Chair: Chamber of Commerce; Learning and Skills Council; Local Strategic Partnership; Co-founder Entrepreneurs' Ladder™, Women's Enterprise Champion.

Anne Glover, Director, Amadeus Capital

Anne Glover is Chief Executive and Co-founder of Amadeus Capital Partners, the European technology investor. Amadeus has £460m of funds under management and has backed over 60 companies covering computer hardware and software, mobile and fixed communications technologies, clean technologies and medical technologies.

Rotha Johnston CBE, Vice Chair, Invest Northern Ireland

Rotha is Vice Chair of Invest Northern Ireland. She has interests in a number of businesses engaged in property investment. Prior to this she was a shareholder and director of Variety Foods Ltd, a foodservice company supplying the Irish market that sold in 2005. Rotha is a Director of Allied Irish Bank UK plc.

Allison Ogden-Newton, Chief Executive, Social Enterprise London

Allison Ogden-Newton is the Chief Executive of Social Enterprise London. Allison is also a member of the Government's Building Stronger Communities Taskforce and council member of the Social Enterprise Coalition. Allison was nominated as Social Business Woman of the Year 2009 and named as member of The Observer Future 500 in 2007.

Claire O'Halloran, International Lead, Emerging Business, Microsoft Corporation

Claire has spent 14 years in Sales, Marketing and Business Development in IT and Telecoms. In her current role she focuses on strategies to support technology start-ups, entrepreneurs and investors internationally. Claire is passionate about entrepreneurship, enterprise and partnerships to drive growth, initiating alliances with HSBC, TiE and EBAN in the last year.

Ken Olisa, Founder & Chairman, Restoration Partners

Ken founded boutique technology merchant bank – Restoration Partners after 35 Years in the IT industry. After IBM and Wang in the UK, USA and Brussels he founded and floated Interregnum on London's AIM exchange. A director of Thomson Reuters and ENRC he serves on the Boards of several young entrepreneurial companies including BioWisdom and Independent Audit.

Tricia Pedlar, MD Strategic Spur and emda Board Member

Tricia founded Strategic Spur in 2004, which works with SMEs to step change their marketing, both directly and via support programmes. 17 years

marketing experience includes global head of marketing Strepsils, managing Nurofen and Nivea brands. Appointed to East Midlands Development agency board in 2007, Tricia leads on Women's Enterprise.

Amanda Rendle, Head of Marketing, Commercial Banking, HSBC

Amanda is Head of Marketing, Commercial Banking, Europe at HSBC. Amanda began her career with Mercantile Credit before moving to the Agency side of the communications business. In her current role, Amanda leads a team of professional marketers on customer insight, segmentation, proposition development, communications and marketing strategy.

Erika Watson MBE, Executive Director (former), Prowess

Erika co-founded Prowess, the independent association of organisations committed to the development of women's entrepreneurial potential in the UK. Prowess has 300 members who support over 100,000 women business owners and 16,000 new women-owned business start-ups each year.⁵²

The WETF would like to thank all their supporters. Special thanks are due to Ministers and Members of Parliament who have lent their weight to our cause, particularly Shriti Vadera, Peter Mandelson, Stephen Timms, Harriet Harman, Vera Baird, Margaret Hodge and Lorely Burt. We are also very grateful to those who have played a key role as observers and advisors to the WETF, especially Bill Hallahan, Emma Ward, Tracy Vegro, Tom Stewart, Andrew Tindall, Meenakhi Borooah, Andrew Dobbie, the BERR Analytical Unit, Enterprise UK and the Women and Equality Unit.

⁵² Erika Watson left her role at Prowess in May 2009 and as a result also stood down from the representative role on WETF

Appendix 6. Acknowledgements

The WETF is especially grateful to the dedicated individuals who make up the cross-RDA/DA women's enterprise group, particularly for their sterling work in setting up and running the regional networks of women's enterprise ambassadors. We could not have achieved what we have without you.

As a Task Force we would also like to acknowledge the huge effort and indispensable services provided by key staff at SEEDA, who have not only supplied the secretariat which enabled the WETF to function, but who also provided us with invaluable strategic advice. We particularly acknowledge the commitment, expertise and hard work of Julie Kapsalis, Katie Lloyd, Kate Keane, Elizabeth Heritage and Tiziana Boyland. We are grateful to you all.

We want to pay particular thanks to Rebecca Harding of Delta Economics for research expertise on several WETF publications.

And finally, the WETF would like to make known their debt of gratitude to Isabella Moore and the Women's Enterprise Panel that laid the foundations for our work and without whom we would not have existed. We look forward now to passing on the baton of women's enterprise advocacy to others equally worthy of this precious task.

Appendix 7. Women's Enterprise Task Force Terms of Reference

Background

The Chancellor's 2006 Budget Report confirmed that the Government was establishing a Task Force on Women's Enterprise to drive implementation of specific steps to increase levels of women's business ownership in the UK.

Role

The Task Force was not a delivery body. Its role has been to guide and focus action across the public and private sector to increase the quantity, scalability and success of women owned businesses in the UK. To achieve this, the Task Force has:

1. Advised central Government, Regional Development Agencies, Devolved Administrations and the Private Sector on how the economic contribution of women's enterprise can be increased in the UK;
2. Identified issues and barriers to more women starting and growing their businesses and how they might be addressed; and
3. Provided advocacy – Task Force members lobbied and raised the profile of the women's enterprise agenda, both individually and collectively.

The Task Force aims to support Government's efforts to increase:

1. the GVA contribution to the UK economy by women owned businesses;
2. the number of women owned businesses in the UK;
3. the average turnover of women owned businesses
4. Total Entrepreneurship Activity

Priorities

The Women's Enterprise Task Force has focussed on five key priorities, or 'Pillars':

- Pillar One – Gender-disaggregated business data. Robust and consistent data sets are fundamental to understanding and measuring the drivers and success of women's enterprise in the UK.
- Pillar Two – Female-friendly business support. Research has shown that women can feel put off by mainstream business support, so universal access to female-friendly support is vital in order to enable women to start and grow their businesses.
- Pillar Three – Access to finance and technology. Both access to and education about financial and technical options are key to the sustainability and success (and especially growth) of women's enterprise.
- Pillar Four – Supplier diversity and procurement. Research has shown that women's businesses are under-represented in the potentially lucrative area of public procurement, so more needs to be done to drive forward both the demand and supply side of this important agenda.
- Pillar Five – Strategic influencing and awareness raising. The WETF has done much in this arena but champions are needed to take forward the work of publicising the economic case for women's enterprise and promoting opportunities for female entrepreneurs and businesswomen across the UK.

These pillars provided the basis for our input into Government's Enterprise Strategy, Enterprise: Unlocking the UK's Talent, which was published by the Department for Business, Enterprise and Regulatory Reform in March 2008. For more information, please see www.womensenterprisetaskforce.co.uk



Sharon Warmington, Leaflog, Birmingham

Pillar One Recommendation: Better Analysis, Better Understanding

WETF GROWE Recommendation	How
Tick-box to be added to specific HMRC and Companies House forms to capture the gender and ethnicity of directors.	HMRC VAT Return form to show what percentage of a company is male/ female-owned. Standard form used for Annual Returns by Companies House to collect current business data should have a tick-box added whereby companies identify the gender and ethnicity of their directors. The options would be male/female/prefer not to state and White/Mixed/Asian/Black/Chinese/other/prefer not to state, on section D1 of the AR01 form. This information would be auto-filled year-on-year so that companies would only need to fill it out if their directors had changed in the meantime.
Gender disaggregation of all publicly-funded business and enterprise data and research must be enforced under the auspices of the Gender Equality Duty.	<p>Equality and Human Rights Commission (EHRC) to ensure that all Government departments collect gender-disaggregated data as part of their routine activities on specific aspects of their work which could have an enterprise equalities impact, such as provision of finance (eg. Innovation Investment Fund and Enterprise Finance Guarantee), grants and procurement (eg. supplier diversity), and for example UKTI activities. This would tie into the Office for National Statistics' Equality Data Review. EHRC can then provide gender impact analyses and monitor results, producing annual reports based on available disaggregated data to monitor equalities, and highlight any relevant statistically significant changes to the figures being recorded. EHRC also to produce short, publicly-available reports on an annual basis across all Government departments showing the following:</p> <ul style="list-style-type: none"> - the number of women-owned businesses registered on their supplier databases supplying products and / or services - the percentage of diverse suppliers on formal PSLs - the number of deals and financial amount expended with diverse suppliers. <p>These reports should also contain a high-level analysis of the areas / sectors in which these contracts were awarded and comment on any changes or issues arising from the data.</p>
Establishment of a women's enterprise research centre.	Public-private sector partnership to come together to establish a research centre, which could be led by the Women's Business Development Agency in conjunction with the Economic and Social Research Council. The centre's main aim will be to analyse existing research and use these conclusions to inform policy.

Pillar Two Recommendation: Enabling More Women To Join The Enterprise Economy

WETF GROWE Recommendation	How
Business Link (BL) to further raise level of participation by women-owned businesses – aspirational target of 40% as suggested in <i>Strategic Framework for Women's Enterprise</i> .	Regional Development Agencies (RDAs) to ensure that existing regional and national BL marketing and engagement strategies show how women will be targeted. In addition, BL regional marketing plans should include an engagement strategy to reach localised female markets. This will be backed up by the better disaggregated data resulting from the strategy recommended by the EMBTF and accepted by RDAs. RDAs should achieve this by asking BL Providers, as part of their annual delivery planning, to set out how their engagement strategies engage female customers and reach female markets; and reporting on their effectiveness under the Gender Equality Duty.
UKTI encourages women to trade overseas by raising awareness amongst women of the opportunities on offer and the support available. UKTI should also flex its offer to encourage women to access international markets.	A specific marketing campaign to be launched (possibly under the auspices of one of UKTI export programmes), to include billboards and leaflet distribution in relevant locations which are easily accessible to female entrepreneurs. UKTI should also engage women through clearly targeted training, facilitating women's access to trade information; promoting networking and encouraging partner organisations to integrate a gender dimension into their business support provision. UKTI should disaggregate all its data.
Optimisation of Women's Enterprise Ambassadors programme.	BIS with Enterprise UK should make better use of the internet, social media, and blogging to keep down costs and gather views more widely. They should also encourage a self-selecting database/website/women's enterprise portal (that is not limited to one organisation/empire) and ensure that Business Link advisers and others are aware of the wide range of networks and can sign-post women appropriately. This would tie into Enterprise UK's role as a relationship broker, events manager and leader of WE Day and should be cross-referenced with the upcoming Women's Business Centre standard (Prowess).
At least one Advisor in each JobCentre Plus (JCP) is trained to be able to pro-actively promote enterprise to suitable clients.	The Department for Work and Pensions (DWP) should review the number of advisors who currently provide self-employment advice in JCPs across the country, and review their level of training. DWP should then fund training (possibly to SFEDI standard) for at least one advisor in every JCP. This training should be modified to cover the general issues affecting women, and the complex issues involved in 'journeys to work'. The aim would be to identify as early as possible which people had enterprise potential, and direct them to BL accordingly. In parallel, SEEDA can pilot changing the 6-month offer (of being referred to BL by JCP) to 3 months or less.

Who	When	Outputs, benefits and outcomes
HMRC and Companies House	In time to capture business data for 2010-11 financial year.	Forms changed to allow faster, easier and more accurate collection of valuable, disaggregated business data. This will in turn help enable better research and better policy and activity development.
EHRC, supported by GEO with their cross-Government mandate	To begin immediately. Enforceable process to be in place by end 2010.	Gender impact of policies measured, allowing better policy and activity development, including clearer picture of WE contribution to UK economy.
WBDA, ESRC	By mid 2010	Research centre established. Clear coordination of WE data and research means clearer and more robust picture of what needs to be done.

Who	When	Outputs, benefits and outcomes
BL National and RDAs	By mid 2010	Strategy developed and implemented. More women enabled to start and grow businesses, bringing GVA benefit to UK plc. BL would increase market penetration and meet its aspirational targets for reaching under-represented groups.
UKTI	By end 2010	More WLBs aware of UKTI offer and benefits of international trade. Women's businesses grow through increased international opportunities, bringing GVA benefit to UK plc.
BIS and RDAs with Enterprise UK	By end 2010	Better understanding of how women network will lead to more efficient business support services. A more supportive environment for female entrepreneurs will encourage business success.
DWP, JCP and BL	By end 2010	Unemployment lowered and public money saved through more efficient funnelling of potential entrepreneurs to enterprise support services. Better quality and breadth of advice given by JCP and consequently higher level of satisfaction of JCP clients and users.

Pillar Three Recommendation: Driving High Growth

WETF GROWE Recommendation	How
An accreditation standard for expert investment intermediaries to bridge women entrepreneurs to sources of growth finance.	BIS with SFEDI develop a specific accreditation standard which can be accessed by both private and public sector to help bridge women entrepreneurs to sources of growth finance. Associated business support should address the specific needs and barriers faced by women in accessing finance.
Government's Innovation Investment Fund (IIF) and Enterprise Finance Guarantee (EFG) must contain a commitment to diversity based on the economic potential of women entrepreneurs, including collecting gender-disaggregated data.	The IIF Manager sets clear equality and diversity principles – both at fund management and fund application level – and embeds them in the innovation fund processes. BIS runs a clearly targeted campaign aimed at women-led high-growth technology businesses and showcasing Britain's top 100 female entrepreneurs, to raise awareness about the specific funding opportunities available to women. GDD is collected as part of the application and funding award process. BIS to collect and monitor EFG GDD and ensure equality and diversity principles are embedded in the EFG. BIS to ring-fence part of the EFG funds for female entrepreneurs.
Ensure the sustainability and optimisation of the Aspire women's co-investment fund.	The Aspire Fund should be put out for private sector fund management as soon as possible through an independent tender process. Fund management is transferred to a private sector fund manager. Any Return on Investment is rolled back into the Aspire Fund or a following female-focused Government fund/s in order to foster sustainability. Fund managers should work closely with investment channels and women's enterprise finance experts to access deal flow. When the Aspire fund has been fully invested, its progress and impact should be evaluated to determine what value it has added to women's enterprise in specific areas, what best practice has been generated, and what more needs to be done. When the current £12.5 million is expended a possible second round of funding should be made available.
Raise awareness of the benefits for small businesses of accessing business angel investment and benefits of becoming a business angel to high net worth women.	Targeting relevant networks and using national and regional contacts, including media, the British Business Angels' Association (BBAA) should set up focussed meetings with high-net-worth women. At these meetings they will be presented with an evidence-based package for aspiring female business angels produced by the BBAA, highlighting the benefits of angel investment for the investor and high-profile case studies.

Pillar Four Recommendation: Business Readiness For Public Procurement

WETF GROWE Recommendation	How
Single access portal, using good practice from CompeteFor (the procurement model developed by RDAs for 2012).	OGC must ensure that two key aspects of the CompeteFor portal (i.e. gender-disaggregated data and procurement training links) are mandatory upgrades to the single access portal (supply2gov). The backend of the portal's database needs to be modified to collect data on the gender and ethnicity of those businesses registering on the site, making bids and winning contracts. In addition, the homepage of the website, as well as other relevant pages, must have clearly identifiable sections which publicise and highlight procurement training opportunities offered at regional and national level. There should be regular updates available on how to access these through the news pages and bulletins.

Pillar Five Recommendation: Keeping Up The Momentum

WETF GROWE Recommendation	How
Establish a national forum on women's enterprise, and retain women's enterprise representation on the Small Business Finance Forum (SBF) and the Small Business Forum (SBFF).	<p>Existing women's enterprise and business membership groups to come together and establish a Women's Enterprise Forum (WEF) or similar. The panel will:</p> <ul style="list-style-type: none"> - Act as the voice of women's enterprise in the UK - Publish its views online and through its networks - Represent the interests of women's enterprise at high-profile national campaigns, fora and events - Publicise the UK's top 10 most successful female entrepreneurs, to act as inspirational role models. <p>One member of the WEF should attend the SBF and SBFF.</p>

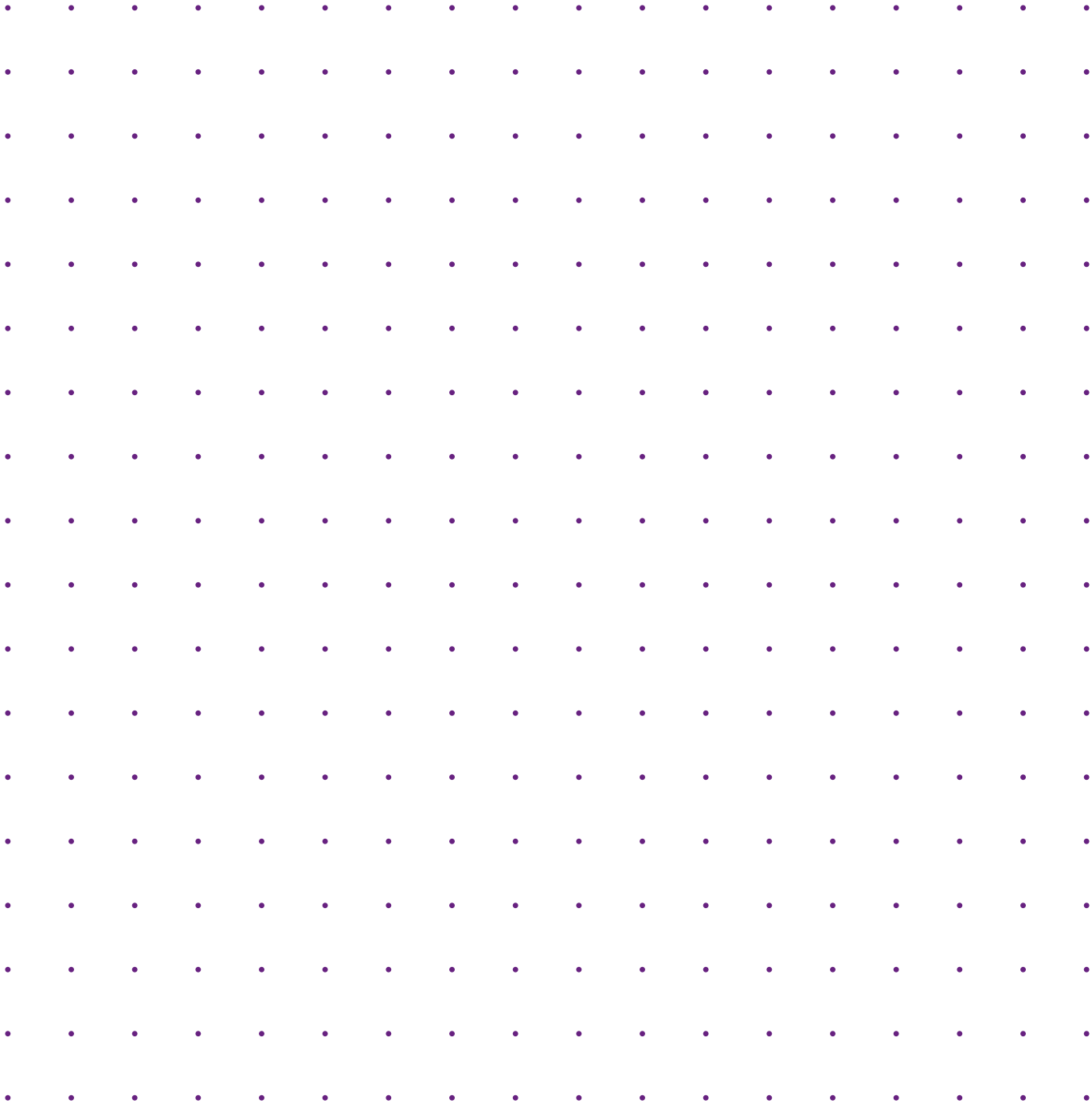
Who	When	Outputs, benefits and outcomes
BIS with SFEDI	By end 2010	Women receive better quality of advice from public and private sector financial advisors. Better education about and access to growth finance leads to more robust businesses, bringing GVA benefit to UK plc.
BIS	By end November 2009 – as part of process of fund being established and before it becomes active.	More WLBs benefit from available investment opportunities. Better investment opportunities for women means more business growth, bringing GVA benefit to UK plc.
BIS	By end November 2009	Fund makes higher quality investments under private sector leadership. Aspire Fund becomes more sustainable and thus less reliant on public finances. Better investment opportunities for women means more business growth, bringing GVA benefit to UK plc.
BIS and the BAAA	By end November 2009 – as part of current angel investment promotion campaign.	Increase in the number of women business angels and the number of WLBs seeking and achieving angel investment. Better investment opportunities for women means more business growth, bringing GVA benefit to UK plc.

Who	When	Outputs, benefits and outcomes
OGC	By end November 2009 – as part of current implementation of Glover recommendations.	Single access portal established. More WLBs are awarded public sector contracts. Gender impact measured, allowing better development of procurement tools, including clearer picture of WE contribution to UK economy.

Who	When	Outputs, benefits and outcomes
Business membership groups BIS	By mid 2010 Immediately (ongoing)	<p>Network established. Clear advocacy for women's enterprise. Useful source of advice for Government. This network would deliver the following in order to meet Government targets:</p> <ol style="list-style-type: none"> 1. Increase the number of women starting a business 2. Increase the number of women growing businesses 3. Increase the number of women securing venture capital funding 4. Increase the number of women business angels <p>Clear advocacy for women's enterprise. Useful source of advice for Government.</p>



Helen Stimpson, H2OK Systems Ltd, Cornwall
Image courtesy of Apex



WOMEN'S ENTERPRISE TASK FORCE

If English is not your first language we can provide a summarised version of this document in Punjabi, Hindi, Gujarati, Urdu, Polish and Bengali. The document is also available in large print, Braille, disk and audio cassette.

If you require any further information about this Report or the activities of the Women's Enterprise Task Force, please contact the WETF at www.womensenterprisetaskforce.co.uk

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