

Dynamism and Enterprise: Female Entrepreneurs in the UK

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Female Entrepreneurship

- Female Entrepreneurs are responsible for a significant number all start-up businesses in the UK.
- Vital to the economy and future growth in the SME sector.

Unequal Entrepreneurs?

- UK govt failed to support an increase in women owned businesses.
- Less access to start up capital
- Less management experience
- Less welcome in the informal business networks that often provide vital support for small firms

Other Issues

- Self Confidence - *Articulate, intelligent, driven but lack self confidence.*
- Juggling Roles
- Finance
 - Credit track record
 - Women face sexual stereotyping from banks
 - There are informal financial networks, which they find difficult to penetrate
 - Women rely heavily on personal savings,

Training Women to Win

- ESF funding for two and a half years.
- Looks at impact of targeted women's enterprise support
- Identify research gaps
- Identify existing discrimination, if any in current provision

Methodology

- Desk top research
- Questionnaire
- Interviews and focus groups
 - 106 completed questionnaires returned
 - 10% response rate

Methodology

- **Desktop research to look at enterprise initiatives currently in place. This research identified 128 initiatives within the Southern region or nationally.**
- **A questionnaire was sent to 1000 targeted women and of this, 106 responses were received.**
- **The final stage was to conduct a series of one to one interviews and focus groups in order to elicit more detailed answers and to follow up certain areas of the questionnaire.**

Focus of Research

- Female entrepreneurs
- Owners and managers throughout Southern England.
- Cross-sectoral
- Focused on women in the start-up phase, sole traders or owners and managers of micro-businesses (less than 9 employees).

Profile of Respondents

Age

18-25	26-35	36-45	46-55	56+
0	33	46	24	3

Qualification

GCSE	'A' level	Degree	PG	Vocational
11	12	35	29	7

Ages of Children

Number of Children

0	1	2	3	4+
53	18	28	3	4

Age of Children (years)

0-5	6-10	11-15	16-18	19+
23	14	20	6	13

Main Business Sectors

- Coaching/mentoring
- Business services
- Sales/marketing/PR
- Media & publishing
- Education/training

Entry Decision

- Independence 67
- Flexibility 56
- Lifestyle Choice 52
- Developing an idea 34
- Earning an income 32
- Redundancy 19
- Childcare 18
- Profit 16

Types of Support Used

- Training 42
- Counselling 12
- Mentoring 19
- Information/networks 62
- Support activities 21
- Marketing assistance 11
- Other 16

Sources of Start-up finance

- Own savings 86
- Family 13
- Banks/Fin inst 11
- Govt Loans 4
- Other 4

Top Six Challenges

- Lack of confidence
- Financial issues
- Hours worked
- Resource availability
- Lack of support
- Bureaucracy and legislation

Main Findings

- Women tend to start and run businesses mainly in their late 20s and to mid 40s.
- The main challenges faced by the women were a lack of confidence and financial pressures.
- Reasons for starting a business ranged from finance, independence, flexibility, childcare friendly and lifestyle choice. Others started up following redundancy. A significant number of women were eager to develop an idea they firmly believed in.
- The most important source of start up capital was personal savings, followed by family and then banks and/or financial institutions

Main Findings cont.

- The most popular sectors women started businesses in were coaching/mentoring, business services, sales/marketing/PR, media & publishing and education/training. A significant number were in IT/computing.
- A significant number of respondents hold a degree or postgraduate qualification.
- A significant proportion of respondents have children of an age where childcare is an important issue.
- The majority of respondents identified themselves as white British, with only 13 from ethnic minorities.

Perceived Value of Support Provision

- Mixed responses as to the value of business support provision experienced.
- 61% found it useful to a greater or lesser degree,
- 39% did not find it very useful or were ambivalent.

Negative Responses

- The negative responses tended to be either that:
 - The agencies were not easy to find out about
 - “one size fits all” criteria criticised
 - They did not always offer expertise in the areas that our respondents required and in some cases the providers were not clear about what services they could offer.

Negative responses cont.

- Too bureaucratic, too much “red tape” or too much information being provided in long, confusing brochures.
- Respondents being seen as a number and staff more focused on meeting their own targets. This is particularly prominent as women are often classed as “disadvantaged” by support agencies.

Positive Responses

- Other respondents were more enthusiastic about the services that they received from business support providers,
 - *I received comprehensive help (grants, training, business advice, networking opportunities, references) with starting up my business from Business Link and Enterprise Agency without even knowing what help was available.*

Are Government initiatives helpful?

- *It would be helpful if a business advisor had experience in our field. (Public Relations firm)*
- *Bureaucratic. One associate of mine has received 16 different contacts from Business Link and has been confused as to who is supporting her on what activity!*
- *They lack energy, experience and flexibility. The people they employ should represent the market they serve. Not all – white, middle age men. Let's see a wide range of people and experiences.*

Other comments

- *Most support services are staffed by people who have not faced the challenge of no work=no money, or those who failed to meet the challenge and opted for a salaried post.*
- *I think you have to look for the support, it is not always obvious.*
- *Too much red tape – advice comes too late.*

Conclusions and Recommendations

- Our research shows that many respondents, although largely aware that agencies exist, are often unaware of the services that they provide and/or how to access appropriate support.
 - **Recommendation:** The profile of support agencies should be raised, with improved sign-posting to available services.

Cont.

- Business support is acknowledged by some to be very good at the initial stages. However, further into the business cycle, there appears to be less support for the growth phase. If it does exist, then there is less awareness of the help available.
 - **Recommendation:** Agencies should consider additional second and subsequent stage provision and ensure awareness and accessibility for this target market.

- Help/workshops theoretical rather than practical, they simply reiterate what was already known. Perception of very little added value. Also concern that there were very few female mentors and advisors who could possibly give a different perspective.

- **Recommendations:**

- Advice and workshops should be more practical based
 - There should be an increase in female entrepreneurial representation amongst business mentors and advisors as well as more practical examples of female experiences in starting and running a business.

- Childcare and flexible working arrangements are significant issues when planning training. Our research indicates that relatively short (circa 2 hours) and informative sessions in the middle of the day are the most suitable for this target audience.
- **Recommendation:** Training providers should provide more training which takes into account the needs of women entrepreneurs in terms of time and mode of delivery.

Training Highlighted

- Boosting confidence
- Communication & public speaking
- Motivation
- Networking
- Marketing
- Leadership skills
- Financial advice