

Women's Enterprise Scotland

WOMEN IN BUSINESS



EXECUTIVE
SUMMARY
SURVEY RESULTS
2019



Women in enterprise

Women owned businesses contribute £105bn GVA to the UK economy, an increase of 40% since 2012, and Women owned and women led businesses now provide a total of 23.85% of private sector employment.

Despite the increase in the number of women setting up in business, women owned businesses are still under-represented in the most productive, high value sectors in the UK.

The survey ran from 1 June 2019 – 19 July 2019 and was distributed to women business owners by WES, partner organisations and other organisations across the ecosystem. The survey was also supported in distribution by various partner agencies via email and social media.

A total of 190 businesses responded to the survey.

Characteristics of businesses

- 56% of respondents were private limited companies. Next largest group being sole traders (35%)
- 79% of respondent businesses were owned solely by women and the remaining 21% were owned jointly by women and men
- 80% of the respondent businesses were 10 years old or under, with 35% established for two years and under
- 34% had turnover up to £25K; 64% had turnover under £100K.

Characteristics of business owners

- 13% of respondents had a health condition and a quarter of those (25%) stated this was a factor in setting up a business
- 59% were aged between 30 - 49 years; 32% were aged between 50 - 65 years old; remaining 8% were under 30 years old.
- 15% were from Black or Minority Ethnic community; 19% were White British; 66% were White Scottish.

Care

This survey asked whether care and domestic responsibilities had been a factor in the decision to set up in business. 48% said that care responsibilities were a factor in them setting up in business, and the remaining 52% said that it had not.

Pay and pension

- 63% had salary under £25K.
- 13% had salary between £30-£50K
- 10% had salary between £50-£100K

Levels of pay have an impact on pensions and the likelihood of paying into a pension or not. In this survey, 60% of respondents were not paying into a pension from their business salary, and of those, more than half had no pension provision at all.

Access to finance

Access to finance remains a challenge for women-led businesses in both setting up and growing businesses in Scotland. Women start their businesses with 53% less capital than men, and also tend to draw more upon private capital (including personal savings) and family finances. Of the women who responded to this survey -

- 65% have used their own savings to support the business in the last months
- 21% have used funds from friends and family
- 25% have used a credit card
- 25% have used grant funding
- 21% are using a bank overdraft

Women business owners, and those who are just testing the water for a business start-up, cite a number of reasons that finance remains a key barrier. These barriers include – women often having a poorer credit rating than men; women's business ideas not taken seriously due to the sectors in which they want to establish businesses; financial packages available are just not suitable for women's businesses.



Women-only provision

- ❶ 36% of respondents have used business support services established for women only and have found them to be useful.
- ❷ A further 40% would have used women only services if they had been available to them.
- ❸ 18% of respondents would not use women only services as they believe that mainstream services support them sufficiently.
- ❹ 68% of those who have used business support services specifically for women have found them to be a very supportive environment.

Feelings of discrimination

The survey asked whether respondents felt that being a woman had hindered the business journey in any way – with 67% felt that it had not hindered them while 33% felt that it had. Often it was when looking back on experiences that women were more able to identify what they considered to be different and / or discriminatory treatment.

Mentoring and networking

A majority of respondents (57%) were currently, or had in the past, used a mentor, with 82% of those who had used a mentor stating that it had made a positive difference to them and their business. 43% had never used a mentor.

"Any services and finance that I have looked at is targeted to specific industries, none of which apply to me. I feel there is a distinct lack of support for me and my type of business."

- ❶ 71% of respondents stated that they found women only networks necessary and useful.
- ❷ 59% stated that they felt they needed better networking opportunities in order to achieve their business aspirations in the next three years.
- ❸ 11% of respondents said that although they thought such networks were useful but were currently unavailable to them.
- ❹ 12% stated that they would not use women only networks.



Future plans

- 41% looking to grow and scale up in the next two years;
- 45% looking to grow moderately in the next two years.

And when asked what they needed to achieve these business aspirations –

- 50% stated that they needed more finance
- 45% were looking for more digital advice and support
- 59% wanted more relevant networking opportunities
- 51% said growth support was really important
- 43% said advice on business strategy would be welcomed

Improvements to business support

The most popular suggestions were –

- More and better information at the pre-start up stage (57%)
- More training on sales, pitching and in business development (67%)
- Better access to procurement opportunities (66%)
- More support at scale up stage (63%)
- Access to micro funding and small loans at different stages of the business (64%)

"Every business is different and gets something different from each service, I recommend any business tries each and views them with openness to get the best available for them."

National Women's Business Centre

The survey asked for views from women in business on the development of a National Women's Business Centre for Scotland. This would be a complementary offering to existing business support services. Responses showed -

- 51% agreed that such a centre would be a good idea.
- 36% thought that it might be useful.
- 13% thought that it would not be useful.



In conclusion

This survey has highlighted a number of the key issues for women in business across Scotland. The results provide valuable information on not only the current situation for women in business but also past experiences of women as they have pursued a path to starting, developing, and growing business in Scotland.

WES has been conducting surveys since 2012. Many of the issues emerging from this survey are similar to those in previous surveys thus emphasising the need to use information from this evidence base to influence policy and practice for women, either in business currently or thinking of starting up in business.

Women have no less potential than men to develop successful businesses. With less than 16% of SMEs in Scotland women-owned employer businesses, we know that we can do more in Scotland to challenge this gender gap in enterprise.

"I have always found a majority of men at business events which has made me feel like I don't belong in the world of business. There is a real splinter section of society where women are figuring out where their own niche is and building on that together. It's time business support services caught up and began supporting the ventures and networks that these women have begun to build for themselves."

"Deliver practical, tailored support that meets an individual's business needs. Business support services can feel like you are having to mould your requirements to meet the criteria of the support on offer."



Women's Enterprise Scotland (WES) is a not for profit Community Interest Company which champions women-led and women-owned businesses. WES advocates for better evidence-based policy making and believes that delivering expert, needs-based business support will enable women to fulfil their aspirations, unlock potential and boost the economy. WES works in collaboration with local, national and international partners towards the vision of a gender equal, diverse and inclusive business ecosystem which will allow innovation and productivity to thrive.



Women's Enterprise Scotland 2020

Produced by The Comms Garage Ltd & CanalPath Creative Ltd