

# Risky Business?

The Story of Women into Business

Women Entrepreneurs

Report

Breathing Space Ltd.



# **Risky Business? The Story of Women into Business**

A qualitative study that examines effective ways in which confidence can be developed and risk aversion overcome for women wishing to start a business. Consisting of  
Part One: Executive Summary  
Part Two: Final Report including Executive Summary  
Part Three: Reflections of a Researcher (Edited and annotated research diary (PDF only))

## **Part Two: Final Report including Executive Summary**

Produced by the Women into Business Development Officer, Breathing Space Ltd

As part of the Equal funded Euro Enterprise Evolutions Project 

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### **About Euro Enterprise Evolutions....**

Euro Enterprise Evolutions is an exciting project designed to research and test innovative new ways of supporting and empowering people from disadvantaged groups in overcoming barriers and starting their own business.

The project contains tools and support for those people who feel they cannot even consider self employment because of a lack of reading, writing and maths skills, lack of confidence, fear of risks, dyslexia or disability issues etc. We also provide a range of training and one to one support to help clients learn business skills, create a business plan and access opportunities for start up finance. Once clients have set up their business there is further support available such as getting a simple " Business Administration Toolkit", e-business coaching and mentoring support, internet shop creation software and tools to help you fill out forms etc.

For business advisors, practitioners and policy makers there are a range of research studies, events, training, toolkits and conferences that the project is developing to share information and lessons learned to a wider audience.

The Black Country based Euro Enterprise Evolutions project is made up of 6 partner organisations in the UK and 7 transnational organisations from across Europe all working together to "open up business creation opportunities for all".

Euro Enterprise Evolutions is made possible through part funding by the European Social fund through the 'Equal' initiative.

### **About Breathing Space Ltd.:**

Our Mission Statement: 'Inspiring people to greater achievement through positive attitudes and self belief'

Breathing Space Ltd is a registered charity and a company limited by guarantee that has been incorporated since 1987. Our aims are to help people who are disadvantaged or socially excluded to overcome barriers to progress in their lives and re-connect with the world of work, training or education.

Provision includes training and one to one support in business skills, job search skills, reading and writing skills, coaching and mentoring, personal development (including image, motivation confidence building, independent living skills, communication, teamwork, goal setting etc.), work experience, training in sound production and DJ skills, a horticultural project for people with learning difficulties and an internet and information cafe.

Approximately 700 people receive our help each year.

Our work is carried out in The Black Country in The West Midlands with the majority of our work conducted in The Walsall and Sandwell areas. Our base is in The Central Hall, Walsall, in addition to this we work at other locations such as schools, horticultural sites and local community organisations dependant on the needs of the beneficiaries.

The Central Hall base encompasses training, meeting and counselling rooms, a computer suite, and an internet and information cafe. The Prince's Trust Business Division (Walsall and Wolverhampton) is also based on our premises at The Central Hall.

We primarily work with the following groups of clients:

- People in the labour market with low or no qualifications, skills or relevant work experience.
- Lone parents
- Offenders / ex-offenders
- Returnees to the labour market
- Asylum seekers
- Unemployed people whom without support, advice or training will remain unemployed
- People from ethnic minority groups who disproportionately suffer from being excluded from the labour market
- Disadvantaged people who are contemplating self-employment



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# 1. Foreword

'From a feminist standpoint, women are never just women (Mirchandani, 1999) and it is thus the social structure that helps create or sustain differences in entrepreneurial behaviour. Promoting SMEs as growth oriented may be increasing risk perceptions towards entrepreneurship in certain demographic groups. As Athayde (1999) argued it maybe exogenous issues rather than psychological characteristics that determine whether a woman becomes self-employed' (Brindley, 2005, p.154)

This quote helps to introduce both many of the major themes and the unique orientation of this research project (which can be encapsulated as follows):

- ❖ Social structures (and therefore, not only 'gender') help to 'create or sustain differences in entrepreneurial behaviour' (see above).
- ❖ Promoting particular aspects of SMEs (such as growth orientation; see above) rather than others (such as more control over work/life balance, for instance) 'may be increasing risk perceptions towards entrepreneurship in certain demographic groups', including, but not exclusively (certain) women. This means that certain definitions of 'entrepreneurship' may be limiting and excluding for a variety of people, including (some) women.
- ❖ It is important to acknowledge that external factors 'rather than psychological characteristics [may] determine whether a woman becomes self-employed' or not.
- ❖ Making full use of the scope for innovation included in the EQUAL initiative's remit, the researcher has taken the unusual but effective step of including feminist analysis in this report.

All of the above will be discussed in more details throughout the report. First of all, however, there is a further elaboration on the last point made above, the 'feminist analysis'. In the researcher's opinion – formed during a long history of undertaking feminist qualitative research in Europe (Kehrer, 2006; unpublished) and European funding assessment (Armstrong, Kehrer and Well, 2002; Armstrong, Kehrer, Wells and Wood, 2001a & b), and supported by a large body of research in the field (Grosz, 1987; McDowell, 1997; Mies, 1983; 1991) – any research outcome is more honest and meaningful if the standpoint of the respective researcher (which, it is believed, will always influence any research to some extent) is not hidden from view. This researcher would therefore like to situate herself as a left-wing, educated woman with strong interests in issues related to social justice and issues of gender, racial, ethnic and international equality.

Nevertheless, in the interest of making this work accessible to the widest readership possible, the researcher has chosen not to follow the general practice in feminist qualitative research to write in the personal pronoun in this report. Neither will she discuss in more details issues of 'standpoint', 'feminisms', 'feminist research' and '(im)possibility of access

to a *truth*/The Truth'. For more discussion on these issues please see related literature such as Denzin and Lincoln (2000d), Burr, (2003). To give interested parties, such as practitioners and academic researchers working in a similar field, some insight into the more 'personal' and 'subtle' aspects of this research, the edited (mainly for reasons of confidentiality) field diary of the researcher will be published as a separate, third part of this report, subtitled 'Reflections of a Researcher'.

Before moving on to the findings of the project, it is necessary to discuss that researching the issues of *effective ways of developing confidence and overcoming risk aversion* in women wishing to start a business was/is complicated for several reasons:

- ❖ Firstly, the issues themselves are complex and multi-layered. This seems fairly self-evident but is also supported by the literature reviewed.
- ❖ Secondly, there is very little research that deals with these issues, meaning that a lot of the work was in 'new territory' (Brindley, 2005).
- ❖ Thirdly, and maybe most importantly, when discussing these issues with respondents, for example beneficiaries at the (pre-) start-up phases, it became clear that most people find it difficult to directly respond to questions around 'what do you *need* to deal with these issues' (such as developing confidence and overcoming risk aversion). From many of the respondents' points of view it seemed that 'if I already knew, I could have done something about it'. Because of this, the researcher had to 'get at' the issues in more indirect ways and deduce some of the solutions from wider responses to related issues. The issues were also tackled through extensive 'participatory observation' and 'action research', some of which is documented in more detail in the third part of the final report's trilogy, the 'reflections of a researcher'. The aim of these types of research were on the one hand to 'get a feel' for the issues in more general terms, but also to see problems, barriers, developments and change 'in action' in order to learn from them.

One of the main findings – again predictably in some ways – was that addressing issues of confidence development and the overcoming of risk aversion will have to be done in a **multi-faceted**, and **tailored approach**. To effectively tackle these issues it is necessary to view **the solution as a complex process**, a path to be travelled with several 'stations' on the way, rather than a 'quick fix' – especially when trying to reach the 'hardest-to-reach' women in any community.

The research also showed that the 'solutions' to these issues are interlinked with each other and with other barriers faced by women wishing to start a business. To really achieve 'results' it seems necessary to choose a **holistic approach**, offering a **wide range of services and tools**.

## 2. Executive Summary

The following section summarises the findings and recommendations of this research study. First of all what is unique and different about this study needs to be highlighted:

- ❖ **Firstly, it is a new way of looking at existing literature and combining it with qualitative research. Up until recently there was not much literature regarding risk aversion and confidence building in relation to female entrepreneurs.**
- ❖ **Secondly, the study unpacks assumptions about female entrepreneurs and entrepreneurship in general, thereby challenging existing ideas in order to get at better solutions.**
- ❖ **Thirdly, the study has a clear feminist agenda and framework.**
- ❖ **Fourthly, the recommendations (which are summarised below and are discussed in greater detail in the full report) are aimed at both (prospective) female entrepreneurs and business owners on the one hand and business support providers and banks on the other. The overall message is that in order to tackle the issues of confidence building and risk propensity in female business owners, holistic, tailored packages are needed.**

This leads to the summary of the recommendations for effective ways in which confidence can be developed and risk aversion overcome for women wishing to start a business. None of these tools or services by themselves will necessarily address the issues; rather, with respect to most women – in particular the ‘hardest-to-reach’<sup>1</sup> – different techniques and tools are probably needed. Plus, in order to get many of the more difficult-to-reach women interested in the first place, there has to be a shift in the way business ownership/entrepreneurship/self-employment are portrayed. Such a shift in the way entrepreneurs/self-employed people are defined needs to come from all relevant parties involved (such as business support providers, banks and other lending organisations, policy makers, business networks and prospective business women themselves), and has to be translated into strategies and policies that actually matter to the relevant women. This is explained in more detail in the full report.

It is also important to stress here that confidence building and risk propensity have been shown in this study to be *interrelated in many ways*. In the simplest way, most respondents for this study stated that it was through gaining more business knowledge from relevant and appropriate business support that they gained more confidence. Relatedly, it has been shown (Watson, 2004; Brindley, 2005) that with

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<sup>1</sup> This term is contested and not fully satisfactorily expresses the issue. To make it clear, when using the terms ‘hardest-to-reach’ and ‘hardest-to-engage’ people from particularly disadvantaged backgrounds are meant.

better business knowledge and more confidence women are better able to make realistic decisions in relation to the risks involved in starting and/or growing a business, rather ones based on fear. And the circle closes with women who gain in confidence by successfully dealing with the risks involved in their businesses (McCarthy, 2000). With these inter-relations in mind, the following main recommendations of this study are offered.

**Recommendations regarding effective ways in which confidence can be developed and risk aversion overcome for women wishing to start a business**

- ❖ *Life coaching and mentoring.* Here the process of 'matching' between coach/coachee – mentor/mentee is very influential. Also, it would be beneficial for women with care responsibilities and other time constraints if provision of either of these services was available online.
- ❖ *Relevant and appropriate business support provision.* Here, one-to-one sessions, women only provision and regular contact with the same staff is regularly quoted as essential.
- ❖ *Development of risk assessment tools.* Especially ones that are relevant to the women needing to use them.
- ❖ *Motivational training.* Here, the practice of regularity is important.
- ❖ *Business persona training.* To overcome fear and inadequacies in relation to presenting oneself as a business person.
- ❖ *Business networking (with women's only provision).* This should be affordable, relevant, reachable and (physically and psychologically) accessible.
- ❖ *Local/regional role models from different ethnic backgrounds.* To offer the possibility of identification and aspiration to a wide variety of women.
- ❖ *Narrative methodologies.* In order to help women to give voice to and present who they are and where they are heading.
- ❖ *Tools for learning to prioritise.*
- ❖ *New – and more inclusive – definitions of 'entrepreneur', self-employed, and business person.*
- ❖ *Continued personal contact.* Particularly with the same person/mentor(s) throughout any programmes offered.

### 3. Introduction

This is a report about an exploratory, qualitative research project undertaken between June 2005 and June 2006 by the Women into Business Development Officer at *Breathing Space Ltd.*, a business support organisation in Walsall. This study has been conducted as part of the Euro Enterprise Evolutions Project under the European Social Fund's 'EQUAL' initiative.

The aim of the research was to investigate how confidence can be developed and risk version overcome for women wishing to start a business in the Black Country (West Midlands) specifically, and in the UK more generally.

The purpose of the report is two-fold:

- Firstly, to *mainstream the findings* and *share* them with other relevant individuals and organisations and
- Secondly, to *use the findings to develop toolkits and workshops* that address the issues raised and implement the outcomes of the research.

The starting point for this research was the reality that there are still much less *businesswomen* than *businessmen* in the UK generally and even less so in the West Midlands and the Black Country:

'The South West has the highest level of female entrepreneurship at 5.6% of the adult female population and the West Midlands has the lowest at 2.5%' (Global Entrepreneurship Monitor, GEM 2004; cited in: <http://www.prowess.org.uk/facts.htm>; viewed May 2007) (see [www.prowess.org.uk](http://www.prowess.org.uk) for more details on regional differences).

Before going into the findings in more detail, I would like to make the case for '*why it matters*' that women are not participating in the field of enterprise in higher numbers. In the opinion of many organisations and individuals working in the field of female enterprise, (including this researcher), it matters in at least five ways:

- ❖ It matters, to speak 'money' first, because the skills and opportunities of many women are lost and not 'tapped into' when they are not contributing to an entrepreneurial culture. This has some very real economic disadvantages, which has been recognised by the government as a whole and the Chancellor in particular (Brown, 2005). To put it in more positive terms:

'Unleashing the potential of women's enterprise on the economy will result in the significantly improved participation of women in enterprise, increased productivity and, as a direct result, economic growth in every region' (Graham, 2005, p.5)

- ❖ Women's participation in enterprise (or the lack thereof) matters, second, because enterprise in general helps to regenerate and revive deprived areas, which, in turn, is important for 'social cohesion' as the two quotes below stress.

'Small businesses are key players in the success of regional development and the building of social cohesion in deprived areas [...]. Furthermore, [...] small businesses can be a crucial factor in determining economic growth' (Fielden *et al*, 2003, p.152).

'Entrepreneurship helps to promote local economic development by supplying places with diversity, flexibility, and innovative energy that are difficult to sustain within larger, more structured organisations [...]. A dynamic and diverse small-firm sector generates, in turn, greater local entrepreneurial vitality. Entrepreneurship also contributes to local employment growth and the local tax base [...]. Women's entrepreneurship supports local development in all of these ways, but, in addition, through entrepreneurship, women gain autonomy and control over their working lives' (Hanson and Blake, 2004, p.188).

The second quote spells out the positive effects of entrepreneurship in general. It mentions qualities such as 'diversity, flexibility, and innovative energy', something that an extended LEGI<sup>2</sup> (Local Economic Growth Initiative) consultation in Walsall, undertaken by Breathing Space Ltd, demonstrated is seen by its citizens as vitally important to re-invigorating the town and the area.

- ❖ The third set of reasons 'why it matters that women's business as not as prolific as they could be' is hit upon by Hanson and Blake (see quote above) mentioning 'women gain[ing] autonomy and control over their working lives' as a positive outcome of an improved, more inclusive enterprise culture.
- ❖ Fourthly, as Hanson and Blake state in the quotes below –it matters because - once established, female owned businesses improve women's participation in the labour market more generally by employing more women and by often adopting better work practices:

'Compared to their male counterparts, women entrepreneurs also tend to follow different labour practices and have different relationships with their employees [...]; women, for example, are more likely to adopt non-hierarchical management strategies and incubator relationships with associates' (Hanson and Blake, 2004, p.189).

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2 Breathing space Ltd. was commissioned by Walsall MBC to undertake a series of 5 consultation events as part of a Black Country 'Local Enterprise Growth Initiative' (LEGI) bid. The purpose of the consultation was to identify problems, issues, causes, effects solutions and activities to improve the current situation with regards to stimulating, developing and sustaining enterprise activity in the area. Participants and stakeholders in the events included, citizens of Walsall, representatives for the voluntary, community, statutory and private sector and local entrepreneurs.

[On top of this] 'women business owners improve employment opportunities for women because they are more likely than their male counterparts to employ women' (Hanson and Blake, 2004, p.188).

If improved participation of a minority and disadvantaged part of a community is seen as a positive outcome then female owned businesses can not only improve the lives of the women owning these enterprises, but that of other women in their wider community.

- ❖ Moreover, the greater participation of women in enterprise and their resulting visibility leads to a changed, more gender-inclusive image of enterprise. As Hanson and Blake state:

'whether they are aware of it or not, women business owner are role models, opening up opportunities for other women to become business owners' (2004, p.189).

This last quote already points to some of the findings of this report, as role models (and the lack thereof) are a very important factor in women's (non-) participation in enterprise, as will be seen below.

There are some common assumptions about enterprise, entrepreneurs and women in enterprise in particular that are important to look at in this context. Generally (as will be discussed in more detail below), many definitions of 'entrepreneur' include (amongst others) the characteristics of 'willing to take risks' and 'self-confidence'. Specifically, it is often assumed that women's participation in enterprise is so low because women are more likely to lack self-confidence and to be averse to risk taking. While there is some evidence that these assumptions have got some basis in reality, the whole picture regarding women's enterprise participation is far more complex. This report, therefore, will examine these assumptions as well as effective ways of addressing the lack of confidence and the high risk aversion that some women wishing to start business (may) have.

- Section 4, following this Introduction, will be focussed on problematising the issues involved and shows the complexities involved. Here, some of the major recommendations of the research will be discussed.
- Section 5 is a discussion of ways of 'helping women help themselves' in addressing self-confidence and risk aversion. In this section there also will be recommendations resulting from the research undertaken directly related to proto-businesswomen.
- Section 6 and Section 7 cover the research strategy and problems during research respectively.
- In Section 8 an excursion is undertaken to discuss some aspects of female business support in the USA in comparison to the UK.
- In the Conclusion to this report, the findings will be summarised and the complexities involved once more demonstrated.

## **4. Problematisation of and solution finding for the issues involved**

### **4.1. Introduction**

As already stated, this section presents a problematisation the main themes and assumptions connected to this research in order to arrive at a more interesting and useful point of view. This alternative point of view is intended to help in finding solutions for the problems of the matters investigated, namely confidence building and risk aversion in relation to women wishing to start a business.

As discussed above, the research topic is based on two very common assumptions about female (prospective) entrepreneurs: (i) that they often lack confidence and (ii) that they tend to avoid risks. This is seen generally as disadvantage and barrier for women wishing to start a business as the opposite assumptions are usually made about successful business people/entrepreneurs.

As well as investigations these assumptions in more detail, this section will also:

- ❖ discuss definitions of what an 'entrepreneur' or a business person is.
- ❖ show how these definitions are often based on male norms.
- ❖ suggest that women often start businesses for different reasons than men. It will be demonstrated that women often go into self-employment mainly for flexibility, independence and wanting to have more power over their work/life balance, rather than primarily for profit.

These findings are then used to argue that

- the terms of what defines an 'entrepreneur' must be widened to be more inclusive of different versions of self-employment; and
- (therefore) action in relation to improving women's access to business cannot come only from the prospective female entrepreneurs. Instead, it must also come from support structures, such as business support organisations, banks, professional networks and others.

This re-examining and re-defining of 'entrepreneur' is suggested as a win-win situation for everyone involved:

- ❖ Firstly, women wishing to start a business get better and more appropriate support, leading – hopefully – to more women succeeding in self-employment.
- ❖ Secondly, if female entrepreneurs are more successful, the work and efforts of banks and support organisations are more successful.
- ❖ Thirdly, a broader definition of 'entrepreneur' may also help other people who felt excluded from common description of 'entrepreneur'. For example, there may well be many men who, for

confidence, political or other reasons have not been able to identify with the term and thus have not even contemplated becoming an 'entrepreneur'.

## **4.2. Discussions of the term 'Entrepreneur'**

Fourthly then, it is important to discuss what is meant by 'entrepreneurship' in the context of this study, especially since this is far from simple as this quote below indicates:

'Aronson (1991, p.xi) and others distinguish between entrepreneurship and self-employment, reserving the term "entrepreneur" for someone who innovates rather than someone who simply works for herself or who forms a new firm. Light and Rosenstein (1995) point to the difficulty in measuring innovation and call for a broadly inclusive conceptualization of entrepreneurship' (Hanson and Blake, 2004, p.182).

The quote highlights that for many people the qualities of 'something new' and 'innovative' are often seen as essential to the idea of 'entrepreneurship'. However, as Light and Rosenstein (1995) above point out, it is difficult to measure 'innovation'.

Therefore, for the purpose of this report **entrepreneur** will be **defined** as someone

'who has taken the initiative of launching a new venture, who is accepting the associated risks and the financial, administrative, and social responsibilities, and who is effectively in charge of its day-to-day management' (Lavoie, cited in: Hanson and Blake, 2004, p.182).

However, this definition can be used to describe a person who is 'self-employed' and therefore for the purpose of this report the two terms will be used broadly synonymously. It needs to be stated, that this is not without problems (as discussed, for example by Hunt and Fielden (2005, p.12)). Nonetheless (like Hunt and Fielden (2005, p.12)), the researcher came to the conclusions that for the purpose of this study the terms will and can be used inter-changingly.

These definitions, however, come with words of caution that the issue is more complicated, especially in relation to women. As Hanson and Blake note:

'Words that are often associated with 'entrepreneur' are 'risk-taking', 'autonomous', 'powerful', 'knowledgeable', 'independent', - all words that are more widely associated with being male than with being female in most societies today. It's not by chance, then, that the terms 'entrepreneur' and 'self-made man' are practically synonymous for many people: entrepreneurship in the USA, the UK, and many other places is coded as 'male', as an activity that is appropriate for men but not unquestionably so appropriate for women' (Hanson and Blake, 2004, p. 179).

This quote touches on many of the issues discussed in this report. By implication it already points to the fact that – apart from many more or less ‘tangible’ barriers - women also face social and cultural ones that are related to a ‘male’ enterprise culture. This is still prevalent in the UK, be it in the business and business support organisations, banks and other lending institutions, potential customers, friends and relatives as well as in the imagination of some of the (new and potential) business women themselves (something I will come back to below). Fielden *et al* discusses some of the issues involved here:

‘Many of the women reported that they experienced a common problem, “men”. They explained that many men do not like working for a female boss or dealing with women in general, preferring male company instead. [...] Several women mentioned that they had found that male sales representatives had an extremely patronising attitude towards them. Male representatives were frequently reluctant to deal with female owners and many were believed to be of the opinion that women should not be running businesses.

Some gave the impression that they felt the women did not rely know what they were doing and it had taken some female business owner several years to build an amicable relationship with certain sales representatives’ (Fielden *et al*, 2003, p.159).

The two quotes above by Hanson and Blake (2004, p.179) and Fielden *et al* (2003, p.159) show that

- ❖ The common usage (and definitions of) entrepreneurship and self-employment is based on traditionally male characteristics. This seems to lead to making identification difficult for women.
- ❖ These common assumptions of entrepreneurship and self-employment seem to lead to (and be re-inforced by) behaviour by sales representatives (and as will be seen below, banking staff and business support staff).
- ❖ This, in turn, makes the identification with ‘entrepreneurship’ and ‘self-employment’ even more difficult for (some) women (see Cohen and Musson, 2000; and discussion of the issue of ‘entrepreneurial identities’ below) as the following quote shows:

‘[T]he majority of women who, whether they saw the entrepreneur as good or bad, felt no sense of identification with the term’ (Cohen and Musson, 2000, p. 42).

Instead, most of the respondents for this research study preferred the terms ‘self-employed’ or ‘having their own business’. The problem, however, goes beyond the terms ‘entrepreneur’ or ‘entrepreneurship’: For many women the whole ‘world of self-employment’ per se (be it called ‘entrepreneurship’; ‘self-employment’ or ‘running one’s own business’) does not seem to include them.

This connects to a more detailed discussion of 'entrepreneurial identities' (again, here the term 'entrepreneurial identity' is to include anybody embarking or intending to embark self-employment) - something Cohen and Musson (2000) have been investigating in great detail. I will discuss their findings in relation to this study below.

### **4.3. Entrepreneurial Identities**

"[R]isk-taking', 'innovation' and 'seizing opportunities' were associated with breaking out of the shackles of a culture of restricted opportunity, of looking to the future and aiming high. For others, however, these same traits and aspirations were used to convey an image of the entrepreneur as exploitative, associated in particular with the 1980s and Thatcher's Britain' (Cohen and Musson, 2000, p. 42).

This quote sums up the different poles of meaning which 'entrepreneur' brings up in different people (women in this particular case). It seems that Cohen and Musson's respondents' perceptions of an entrepreneur is very similar to the definition used as a basis for this research. However, some people see these characteristics as a 'positive way out' of restrictions in terms of their work, whereas others are appalled by the image of entrepreneurs being 'exploitative'. The following three quotes demonstrate the different aspects:

'With regard to the entrepreneurial personality, several respondents identified certain key traits as typifying the entrepreneur. These included 'innovation', 'perseverance', 'dynamism', 'autonomy', 'aggressiveness', 'individualism' and 'risk-taking' - and were elucidated through reference to high profile figures, and familiar stereotypes' (Cohen and Musson, 2000, p. 41).

'This picture of the entrepreneur as a man who, by dint of perseverance, creativity and a fair bit of 'wheeling and dealing' manages to 'make something out of nothing' is seen as underpinning' (Cohen and Musson, 2000, p. 41).

'One woman who described 'the entrepreneur' as someone who 'stood on other people's toes', a 'money grubber product of the 1980s', suggested that, while this image is repellent, 'entrepreneurial qualities' are actually very important. She suggested how attributes like perseverance, creativity and decision-making ability are not necessarily embodied in the entrepreneur, or tied to a particular era, and saw herself as possessing some of these qualities. Likewise, another respondent explained that

If you just asked me if I saw myself as an entrepreneur I'd have probably said no. But having described the entrepreneur, I'd have to say that there is something in me that is entrepreneurial. Entrepreneurial means to me that you've got certain skills, and you choose to do things when it suits you. But that's different from being an entrepreneur' (Cohen and Musson, 2000, p. 43).

All these quotes describe an 'entrepreneur' as male and as someone having what traditionally would be seen as male characteristics. This, as all the quotes above show, is clearly off-putting for women as they feel excluded from these images.

This once again underlines a key finding of this report which is that it is necessary to **broaden the definition** of what a '**entrepreneur**' and a 'self-employed' person are to make these **images more inclusive and open to** different groups of people. One reason why this is so important is because of the reasons women give for setting up businesses: As we shall now see, some of these are significantly different from the majority of male business owners

#### **4.4. Reasons for setting up a business**

'In terms of women entrepreneur issues, how and why women create and subsequently manage SMEs is still not well understood. Women's risk perception and how this is linked to issues of power and access to it has not been fully resolved. Thus, the influence of risk cues on women entrepreneurs at the start-up stage of the business and when managing an established SME needs further exploration. In 1999, Mirchandani called for research that identified gender differences without obscuring all other points of difference; an issue that is very relevant when considering the contingent nature of business start-up, where for example, cultural issues may over-ride gender' (Brindley, 2005, p.157).

From the literature reviewed and from the empirical material of this study, there are many reasons why women choose to become self-employed. However, there also seem to be some main ones that are offered by most prospective and actual female entrepreneurs. One of the most important reasons given for becoming self-employed are 'independence' and 'frustration with previous work situations'. Both these issues are expressed in the two quotes below:

'A characteristic of the majority of women business owners, identified by several studies, is that of a strong motivation for autonomy and achievement frustrated by prior education and background training. [...T]he desire for independence (financial and personal) was the single most identified for the progression into business ownership' (Fielden *et al*, 2003, p.154).

'Research on women's entrepreneurship reveals that women often choose entrepreneurship to get out from under the glass ceiling and get paid for the work they already do' (Blake, 2006, p.20).

Partly related, many women choose self-employment in order to have more control over their 'work-life-balance', which, as many studies show, is generally very important to women:

'[An] important factor consistently cited by women entrepreneurs compared to their male counterparts is the

level of balance in their work and family lives' (Fielden *et al*, 2003, p.154).

This is something that - implicitly and explicitly - most of the women interviewed saw as an important part of their reason to choose self-employment. Many of them had family and care responsibilities that needed to be taken into account when choosing work. The conditions for employment often were not flexible enough to be able to achieve the necessary balance. Therefore, self-employment was seen as a way of being able to have more control over these issues. As the quote above suggests, this focus on the work/life balance by (prospective and actual) female business owners makes them different from (many) male business owners. As will be seen later, it also affects their different attitudes towards the growth of their respective businesses, which for many women has to be managed in a way that does not disturb a carefully guarded work/life balance. At a time when 'big business' also needs to recognise the importance of a good work/life balance for a productive workforce, it would seem wrong not to acknowledge and support businesswomen's attempts to achieve their individual balances in these respects.

This clear focus in many (prospective and set up business) women's agenda, therefore, needs to be taken into account when trying to promote self-employment to more women. In turn, this again seems to call for a widening of the definition and image of 'entrepreneurship' and 'self-employment' in general.

As Fielden *et al* (2003, p.155) state, women interested in self-employment are (and need to be) generally very motivated to get past the barriers they are faced with:

'the evidence would suggest that women do not lack the motivation to enter into business ownership and indeed they often need to be even more highly motivated than their male counterparts, if they are to overcome the barriers to business start-up many will inevitably encounter'.

#### **4.5. An issue of (lack of) confidence**

Even though many prospective female business owners do not seem to lack motivation, 'lack of confidence' is an important issue: nearly 100 % of all the women interviewed and spoken to as part of this research listed this as a barrier to their self-employment. In trying to find effective ways in helping women to build confidence in order to start their business, it soon became clear that the issue is complicated by many other factors, particularly for the 'hardest-to-reach' women:

- ❖ Firstly, many of the women who took part in the research for this report had extensive care responsibilities, often being single mothers on low income or benefits. The care responsibilities meant for many of them that they have been out of the formal labour market for some time.
- ❖ Secondly, many of the respondents had negative memories of school and learning which affects their interest and abilities in taking part in (some types of) training courses.

- ❖ On top of this, however, many had either one or a combination of the following issues to deal with: a history of and/or recent mental health problems, (sexual and/or violent or other) abuse (either in their childhood and/or as adults), neglect as children, and other issues.

All of the above issues, by the women's own admission, strongly dented their self-confidence. Therefore, on the one hand, it is important to address self-confidence issues in women wishing to start a business, but on the other hand there may be limitations in working with some of the women who may need more specialised help before attending business support related services. Here, there may be some training required for business support staff to recognise when other issues need to be addressed before or alongside the business support.

The response from interviews, focus groups, action research and participatory observation showed that most of the women gained more confidence (particularly with regards to their business) through appropriate business support, which included one-to-one, tailored sessions with known staff. As many of the women had not had much experience of the business world, the lack of confidence was partly related to this inexperience in this field. However, most of the respondents were also very interested in other ways of addressing lack of confidence such as motivational training, affirmation work, mentoring, life coaching and similar things. As many of the respondents did not have much experience of or access (partly due to lack of funding) to tools and services like this before, they were very receptive towards these services.

The research also shows that all these tools and services have a place when used appropriately and in a tailored way in conjunction with the needs and wishes of the participants. One tool that seemed particularly interesting and useful was trialled in an action research project entitled 'My Time Line' (see section 5.3. for more information on this project). As I will show below, a narrative methodology (this means giving women tools and space to express their '*her*stories', in particular in relation to their business) can be very helpful in finding one's voice and 'place', therefore have more 'standing'. This, in turn, can help with self-confidence (see section 5.3. for more details). This case study from the research demonstrates some of these issues.

'Jane' (white, in her forties, has children and grandchildren and lives with her partner) is someone I spoke to many times, informally and formally, stated that a combination of learning all the necessary formal skills (such as administration of a business, marketing research and how to write a business plan) and attending the course for self-awareness at Breathing Space and the self-confidence workshop 'My Time Line', gave her the confidence to make a long-term hobby into a business. She produced a comprehensive business plan and created a very good, thought-through and fully co-ordinated business identity for herself.

'Jane' started a creative industries related businesses and the first few commissions were very promising. However, due to ongoing care responsibilities, the progress of the business is slowed down presently.

'Jane' seems to really enjoy her work and the running of her own business.

Talking of specific narrative methodology, in the 'My Time Line' self-confidence building workshop 'Jane' discussed some very serious and traumatic family issues for the first time in her life outside 'family'. By her own description, she felt that this experience was cathartic and helpful in moving on from some of her old issues.

After this discussion of issues related to (lack of) confidence in women wishing to start a business, the next section, follows a problematisation of the matter of risk aversion. Before doing so, however, it is important to point out that the two issues are closely linked as will be discussed in more detail below.

#### **4.6. Issues around 'Risk'**

I want to now move onto – and problematise - another common assumption about prospective and set-up business women. As we have seen above, the definitions of 'entrepreneur' for most people seem to include 'risk-taking' as one of the characteristics. Women, however, are often seen as being less able and willing to 'take risks' which in turn is seen as making them less 'entrepreneurial' than men overall. Conversely, a review of the literature and also the broad spectrum of qualitative research underpinning these arguments does seem to suggest that the issue is far more complicated than this.

Firstly, it needs to be stressed that there is very little literature on this topic over all:

There are few studies that have specifically focused on women entrepreneurs' risk attributes. [...] Thus, as Brush (1998) found the extent that women create or manage differently SMEs is not well understood and in the new venture creation process one of the processes is the appropriate management of risk (Brindley, 2005, pp. 149-150)

However, there are some specialists in the field, who have undertaken some very interesting and revealing studies, such as Dr. Megan Blake,

the above cited Clare Brindley and Erica Watson (Executive Director of *Prowess*<sup>3</sup>), as well as *Prowess* as an organisation.

All of the above to some extent agree that the difference in risk behaviour between men and women is not due either to biological issues or simple psychological ones, but rather that 'big external issues' such as (lack of) access to finance, access to power and experience of a business environment play the major role. This quote usefully sums up this approach:

Slovic (2000) concluded that sociopolitical factors could be key determinants of gender differences in risk perception. He also argues that the differences in risk perception could be linked to issues of power and influence or rather women's lack of access to them. Slovic (2000, p. 402) argues that "differences in perceptions and attitudes point towards the role of power, status, alienation, trust, perceived government responsiveness and other sociopolitical factors in determining perception and acceptance of risk." Similarly, Brush (1998, p. 160) concluded that in all OECD countries "women encounter social structures in work, family and social life that influence development of human and social capital, different from their male counterparts. This argument is based on the premise that the entrepreneur starts with a set of endowments both "human and social capital" (Brindley, 2005, p.150)

Blake's research has not shown that 'risk taking/averting' tendencies are very much different for women than for men, she feels 'self-confidence' is much more of an issue, plus '**context of risk**'. By 'context' of risk, Blake explained in an interview with the project's researcher in November 2005, she means the risk someone takes relative to their wealth or access to finance. Blake stressed that women often have much less money and access to finance than men and therefore often have to risk more of that 'wealth' (in relative terms) to start their businesses. If this necessity to risk a high percentage of very little wealth is combined with low confidence, the willingness to take the risk may well be low. Adding to this, the research undertaken for this study, showed that if on top of all these issues the women have time consuming care responsibilities that they are solely responsible for themselves, taking 'risks' becomes a far from simple issue, and is often difficult to do.

Watson's quotes below sum this up very well by demonstrating that there are some 'real' reasons for this that are more likely to be related to women's socialisation than their biological sex, issues that can therefore be addressed through relevant training and support (something I will be discussing below in more detail):

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<sup>3</sup> Prowess is a network of UK organisations which support women to start and grow businesses. Prowess has over 200 members who support 100,000 women in business each year and 10,000 new business start-ups which contribute an additional £1.5 billion to the economy. For more information, please see [www.prowess.org.uk](http://www.prowess.org.uk) .

'Women are defined by their cautious approach to business start-up. Compared with men they are more likely to let fear of failure stop them from starting business. They are also less likely to know an entrepreneur and less likely to think they have the skills to start a business or see good business opportunities' (Watson, 2004, p.9).

'Women as a group are significantly poorer than their male counterparts. For socially excluded women, a cautious approach to risk is entirely rational and should be respected by business support providers. At the same time, business support providers have an important role in helping women to believe in their own future and potential' (Watson, 2004, p.9).

Watson's quote already points to one the most important points here: the fact that women, especially the 'hardest-to-reach' need support related to 'self-belief' and 'risk assessment' in order to be able to overcome their fears of risk. The following describes what sort of help could be useful:

'Personal development modules can help women reframe 'failure' as an important learning experience and to overcome unrealistic fears. Above all, support organisations should take an empowering approach aimed at giving clients the tools and confidence to make their own informed judgements about risk' (Watson, 2004, p.9).

Watson also stresses the necessity for the following

- ❖ personal development modules to help reframe 'failure' as learning experiences and to overcome unrealistic fears
- ❖ empowering approaches focusing on providing 'tools and confidence' to make informed decisions about the risks involved.

In connection to this, Watson draws a comparison between the UK and the US business culture, making the point that it would be helpful if some of the following could be adopted in the UK:

'In contrast to the UK, in the USA successful entrepreneurs are celebrated – but it is also seen as legitimate to try, fail, learn from your mistakes and start again. Aspects of many African and Asian cultures also encourage a positive approach to enterprise' (Watson, 2004, p.9).

The issue of risk aversion in relation to female business owners comes up not only in the start up phase but also when discussing 'growth of a business'. Again, there do seem to be differences between (most) men and women here. One of the reasons for this may be a lack of experience and a related more cautious approach, as the quote below states. This relates back to the overall issues of many women having less access to the business world and therefore a lack of relevant experience.

Cliff (1998, p. 526) argues that "[W]omen who lack relevant experience may question their ability to manage a quickly growing enterprise and may therefore purposely limit the expansion of their firms." Black (1989 cited in Cliff, 1998)

believed that due to socialisation processes, women have different ways of thinking, different values, etc. which Cliff (1998, p. 527) argues is “a compelling argument for anticipating gender differences in growth intentions.” Growth is after all a risk (Brindley, 2005, p.152).

Another point here, however, is related to what has been discussed above as the different reason for many women for *setting up* their business – the work/life balance. The quote below highlights that this matters, too, in the ‘*growth*’ phases of a business, as many women do seem to want to control the growth of their business in a way that does not disturb the work/life balance already achieved:

She concluded that there are not any significant differences in whether men and women wanted to expand their firms but there were significant differences in the way they wanted to grow. “Female business owners appear to be more careful and conservative, purposely striving for a controlled and manageable rate of growth” (Cliff, 1998, p. 535). Cliff (1998, p. 535) goes onto argue that this “deliberately chosen slower pace reflects a concern about the risks and negative outcomes associated with expanding too quickly. These risks and negative outcomes tend to be personal rather than economic, such as the belief that fast-paced expansion will place inordinate demands on the entrepreneur’s time and energy.” (Brindley, 2005, p.152).

This difference in dealing with the risks related to growth of a business needs to be seen in relation to the reasons why (many) women set up their businesses, rather than just be compared with (many) men’s ways of dealing with the growth of their businesses. Once again, this points to the necessity to widen definitions of ‘entrepreneurship’ and the need to assess women on their own terms rather than to compare them with the majority of male business owners. Both points will be discussed in more detail below. First, however, as it sums up many points extremely well, a long quote from the very comprehensive and in-depth study into female business owner’s attitudes towards risks by Brindley is worth including (with important points highlighted in bold):

**If agencies do not know how women view risk it is difficult to advise** on strategies to help women cope with varying risks, managing uncertainty and **appropriate risk management tools**. The provision of such a **tool kit** would enable both the individual and the support networks to make objective decisions, removed from a reliance on stereotypes. **It is a false assumption that all women are risk averse or that women owned businesses are not growth orientated**. What has to be acknowledged is that **“success” and “growth” may be defined by women in different ways** than the usual criteria used to promote these terms. Underlying these issues is the suggestion by some research studies that women self-screen when deciding to begin a business, which often leads them to rely on family capital and to begin businesses based on what they know. Business support has the opportunity to widen horizons by reducing barriers, viz access to financing and by illustrating how women’s skills may be transferred into other business ventures that they may not have considered. **However, this is only possible if business support networks move away from stereotypical definitions, understand that risk perception is not a uniform concept and identify ways in which women can access advice at the screening stage**. This is important because studies suggest that as women gain confidence they become less risk adverse. If confidence can be instilled, effective businesses may be developed but confidence can only be engendered if support agencies understand how women view risk. **Thus a knowledge of risk helps individuals to assess their suitability for an entrepreneurial career** (their appetite for risk) and to assess best fit/choice of risk opportunities the business/individual may face. In addition, through the life cycle of a business the business owner may oscillate between being risk prone and risk seeking and support can help business owners identify/anticipate this oscillation. This would enable the SME owners to recognise their own risk perceptions in managing the business and the influence these may have on the business. Moreover, **by managing the sources of risk, sustainability of the business becomes more likely**. There appears to be a **general training need for risk management** within the sector that business support should provide. However, in terms of women-owned businesses or engendering potential women entrepreneurs this risk management training must be **cognizant of the influence of social structures** on women’s understanding and attitudes towards entrepreneurial risk (Brindley, 2005; p.155; emphasis added).

The argument in this quote fits very well with the main findings of the qualitative research underlying this report:

Most beneficiaries interviewed found that relevant face-to-face, personal business support helped to increase their business knowledge and, in turn, their confidence. The combination of increased business knowledge and increased confidence helped them to make appropriate risk assessments rather ones that were based on fear and unrealistic ideas.

The earlier quote from Brindley also leads very neatly to the next point which addresses issues related to service providers. As the quote stresses, service providers play an important role in ensuring more women-owned businesses in general and in providing the relevant tools and services – as shown above – that enable women to make the decisions about risks in relation to their businesses that are right for them and their circumstances.

Before moving onto the discussion of business support providers it is important to note that risk taking is dependent on many factors. Brenda McCarthy's study (2000) of male and female entrepreneurs found that apart from 'innate personality traits; [...], experience of crisis; as well as business-related factors such as the type of venture founded and the nature of the industry environment' (p.563) and '**learning**' (p.563) is very important. She describes this in more detail:

[T]he entrepreneur's perception of risk, and capacity to bear risk, evolved over time. The main proposal of this exploratory study is that risk taking is not just a static personality trait forged by nature or nurture, but seems to reflect learning in a business context' (McCarthy, 2000, p.563).

This suggestion that learning, and particularly 'learning in a business context' changes people's capacity to bear risk is very liberating and promising. As McCarthy suggests, it means being able to transcend the 'nature/nurture' debate. Instead, the focus can be on how to provide the best possible way to teach people - women in the case of this report - how to best deal with the risks they face in relation to their businesses. McCarthy's findings also validate Watson and Prowess's suggestions that major reasons for women's risk aversion are related to their lack of experience of business environments (which mean no access to business knowledge on which to base their risk assessments).

This is where the role of business support providers becomes important. In the following section their role and 'attitudes' will be problematised.

#### **4.7. Service Providers**

As discussed above, there is a clear link between relevant, tailored women's business advice and other related services, and women's ability to grow in confidence and to learn to assess the risks associated with their respective businesses adequately and realistically.

Service providers for business and other related advice are very important in trying to help more women to become self-employed as they are often one of the first 'points-of-call' for prospective entrepreneurs. It therefore matters how this service is being provided. It has been stated by a variety of different agencies and researchers - most notably in several *Prowess* studies (one of which is solely dedicated to the subject of business advice and how to improve it; (see Prowess, 2005b) - that most business support does not address and does not cater enough to the needs of prospective female entrepreneurs. These issues are captured in the following two quotes:

'Support agencies are perceived as bureaucratic and communities are being expected to change their attitude and behaviour when it is the agencies that need to change' (Watson, 2004, p.23).

'Service providers, such as Business Links, currently offer free help and advice to all business start-ups, with business start-up grants available to all those who match the qualifying criteria. However, the experience of women in relation to such service providers were mixed:

'[...] the courses were very patronising, my friend is on one at the moment and she says the same'.

The sense of being patronised arose from the male dominated environment prevalent both in terms of staff and course attendees. Over 75 per cent of women had not sought advice from any of the service providers' (Fielden *et al*, 2003, p.160).

The feeling of being patronised by service provider staff is something that was also mentioned by some of respondents of this study. What makes this particularly negative is that it clearly puts off many prospective women from even seeking advice. This, in turn, means they are not receiving the advice and help that would make their start up easier; putting them at a disadvantage against other businesses who did get good support and advice when starting up.

On top of this, as Watson states, '[b]usiness advisors often fail to recognise or acknowledge the particular characteristics of each community' (Watson, 2004, p.23). This, of course matters, as not only should the aim be that the participation in enterprise of women in general is to be increased, but more specifically that of women from wide ranging backgrounds, representative of the resident community. Here, as Watson points out '*it is the agencies that need to change*' (2004, p.23; emphasis added).

This need for change in the service provision of business support and - as discussed below - in the banking services cannot be stressed too much. Staff in these institutions and organisations need to be trained to have more awareness and openness towards the specific needs of a wide range of women from a wide range of backgrounds.

One member of staff at a service provider I interviewed (who used to run her own business) told me that when she trained at a self-employment course, one of the people delivering a regular slot in this course (and a member of a service provider intended to support particularly disadvantaged communities) used to be known for his explicit sexism with regards to women starting their own businesses. This trainer used to actively discourage women from starting their own businesses telling them they belonged in the kitchen. Considering that the organisation this trainer used to work for was one of the main providers of affordable loans for people from disadvantaged communities, this is a very good example of how some business services and also the access to finance is gendered.

## **4.8. Banks and other lending Organisations**

As already mentioned, the issues discussed in relation to service providers also matter in relation to banks and their ways of dealing with female business banking customers.

Megan Blake, in her paper 'Gendered lending: Gender, context, and the rules of business lending' (2006) points to several problems that women face in relation to finance, lending and their relations to banks.

'Bank lending has a set of rules regarding loan decisions that are both tacit and formalised. Because the rules are the product of day-to-day practices enacted over time in place [...], rules are likely to incorporate local social norms and values that reflect the gendered social relations that are played out in place. Moreover, within an institutionalised context, individuals interpret and reinterpret rules and norms according to their own beliefs and experiences [...]. While the institution (in this case the financial industry) provides the framework for action, there will likely be variation within this framework across banks (and across scale) such that some actors (bank loan officers) may have more or less autonomy of interpretation and within the interpretation of the rules be more or less sympathetic to certain groups (women) or individuals as rules are applied' (Blake, 2006, p.8-9).

'Feminists argue that gender is an element of perceived difference between men and women, as well as a way to signify power relationships (Scott, 1986). Because entrepreneurship is gendered masculine, women as opposed to men have additional burden of establishing legitimacy as viable entrepreneurs. Women' participation in entrepreneurship, [...], is likely to challenge notions held by bank loan officers and do the regarding definitions of who is an entrepreneur. Women are therefore subject to a kind of gendered legitimacy that men do not face as they start and run their businesses' (Blake, 2006, p.10).

The fact that 'access to finance' from banks and other lending institutions is often more difficult for women is a great barrier, especially as women are statistically poorer than men and less likely to have savings. This has the effect that women often do not get formal credit for their business and often use personal credit instead:

'Women who own businesses are less likely than men to have a formal source of credit for their businesses' (Blake, 2006, p.5).

'Women business owners are more likely than other demographic groups to use personal credit (as opposed to business credit) to fund their businesses and are less likely to have a line of business credit or businesses overdraft than those owned by men' (Blake, 2006, p.6).

In turn, this situation often leads to business failure for women:

'Poor loan conditions [...] can led to undercapitalisation and this is the greatest cause of business failure' (Blake, 2006,

An interview - undertaken as part of this research - with a female adviser at a Walsall branch of a leading high street bank was very revealing in this respect. The Bank Adviser herself stated that the bank's business centre is generally a 'man's world' and that she can see that banks are a 'scary place', as people wear uniforms, the place is 'stuffy' and there is a desk between the client and the bank personnel, and all of this makes them not very 'attractive' for women to go to. The following also addresses this point:

'many of the women who participated in this project would not consider approaching their bank for financial support because of the treatment they had received or believed they would receive. This serves to seriously inhibit the opportunities for growth within female owned business' (Fielden et al; 2003, pp.163-164)

Again, this matters greatly in relation to women's confidence and risk assessment abilities. By not being treated appropriately according to their specific needs women are:

- ❖ being undermined and therefore their confidence knocked;
- ❖ not being given the tools and the advice needed to undertake appropriate risk assessments in relation to their businesses;
- ❖ (in combination) often being deterred from starting their venture as it may be perceived as 'too risky'.

The following suggestions are therefore made in relation to banks and their staff:

- ❖ they need to be more proactive in encouraging women to take up their services; and
- ❖ they need to educate and train their employees to support and increase their female business owner clientele' (Fielden *et al*; 2003, p.161).
- ❖ 'Financial institutions need to work at promoting their service in a way that acknowledges that women are equally as valuable as men as business clients' (Fielden *et al*; 2003, p.164)

Together, this will not only benefit women wishing to start a business, but, by widening their approach, the banks themselves will be widening their customer base instead of (as Fielden *et al* put it) 'failing to capture' 'a vast market':

'There is a vast market that financial institutions are failing to capture and, if they are to expand into the market, they need to actively encourage women to take up their services' (Fielden et al; 2003, p.164).

Instead of tapping into this market, most banks seem to stick to traditional images of what a 'entrepreneur' or 'businessman' is:

'The institutions appear to have made little attempt to recognise that not all small business owners fit the stereotypical images. Those who differ from that image, e.g. women, especially those who are not from white, middle class backgrounds, continue to experience discrimination and a second class service' (Fielden *et al*; 2003, p.164)

As discussed many times in this section, there clearly is a need to widen the definition and image of what an 'entrepreneur' or 'self-employed person' is in order to attract more diverse people to achieve their potential as possible business owners. Fielden *et al* have some clear issues with how the service is provided at the moment and what needs to be done to change women's relationships with banks:

'Overall, there has been little progress made by financial institutions in successfully increasing their female small business customers. If female business owners are to be comfortable in approaching financial institutions, they need to be assured that they are going to be treated in a manner that is not patronising or discriminatory' (Fielden *et al*; 2003, p.164).

The following quotes sum up some of the main issues discussed here and especially the fact that change needs to come from financial institutions (and service providers), rather than just from women learning to 'fit the bill':

'As with the service providers, if organisation want to attract new clients from previously under represented groups, their internal structure must change to incorporate those groups and they must be far more proactive in overcoming the traditional image of financial institutions' (Fielden *et al*; 2003, p.164).

'There is a need for a post-start-up tool kit to help women entrepreneurs recognise their own risk behaviour and then realise what growth opportunities may be avoided. How women-owned businesses are measured, the metrics used by outside agencies, e.g. banks, the issues that women businesses grow less quickly and that women may be more uncomfortable with growth have implications for advice and support given. There is a need to understand how women want to grow their business and a subsequent need that they are not castigated if their ambitions are different and if they see fast growth as risky. Currently, it would appear that women have to adapt to equalise and they may always be onto a loser if success is only defined in growth terms' (Brindley, 2005, p.156).

## 5. Helping women help themselves

### 5.1. Introduction

Having examined the changes needed in attitude and service delivery by various bodies dealing with and trying to attract women into starting a business, in this section the findings of what can be done to help women help themselves are discussed. None of the below is meant to essentialise women (or men for that matter): the underlying assumption of this report is that women and men are not *inherently* acting in different ways. Instead, the differences are due to differences in socialisation, social and cultural norms, political circumstances and the like. Many of these differences have historical and social contexts that have real effects on people's real lives. For example, women statistically have less personal wealth, more care responsibilities, less flexibility in using their time, and less business experience (See [www.prowess.org.uk](http://www.prowess.org.uk) for more details on this).

In spite of these factors, an increasing number of women in the UK (and worldwide) do 'make it', do manage to start businesses and keep them going. As *Prowess* state on their website, the women who do make it, overall do well and often re-define small business in positive ways. Also, as already cited in the introduction, the women who do make it generally help to improve other women's employment aspects by having better work practices and by both being inspiring as role models and mentoring other women to make a similar choice (see Hanson and Blake, 2004, p.188-189; Graham, 2005, p.5).

This section begins with a quote by *Prowess* as it is a very important starting point to acknowledge that women (as well as men, of course) are all different, have different individual needs, and want to be treated in an individual way:

'Women are a heterogeneous group of people who have diverse preferences and needs which change on an ongoing basis as their personal and business circumstances change. Women who may need support have their own unique requirements; any of the barriers identified within Illustration 1 may apply to them at any time, and their needs may be more prominent in specific areas. They may be experiencing disadvantage and they may not; they may be mature, disabled, of black and minority ethnic origin, or all of the above. They will also have their own starting point in establishing a business; they may be unemployed, returning to work after having a family or be employed in a high profile corporate role. Each of these starting points bring with it a whole set of challenges which must be overcome if the opportunity of self employment is ultimately to be realised' (Prowess, 2005b, p.10).

Despite these differences, some generalisations can be drawn out from the literature (such as Blake, 2006; Fielden *et al*, 2003; Prowess 2005,

2004; Hanson and Blake, 2004, Watson, 2004) and empirical research that feed into this research.

Best practice provision has already been mentioned in the previous section. As they are very important, it is worth repeating them in summary form:

- ❖ Relevant, tailored business support (with women only options) to increase business knowledge (which for most women taking part in this study greatly increased their (business and self-) confidence).
- ❖ Motivational training, time management, prioritising tools, and risk assessment tools as business support options (to address issues of confidence, risk behaviour and related issues).
- ❖ Relevant, well matched mentoring to help women to increase their business knowledge and feel generally supported. This also greatly helps with confidence building and realistic risk assessment.
- ❖ Local or regional female businesswomen from different backgrounds as relevant role models to aspire to.
- ❖ Affordable and accessible female business networking, tailored to specific groups and areas.
- ❖ Access to narrative strategies, helping to make visible (to oneself and others) the story of one's self-employment. This can be aided with workshops to positively re-evaluate people's life stages (in order to learn from them and celebrate them).

## **5.2. Narrative Methodology as an empowering strategy**

This final point is worth discussing on its own in more detail since it is one of the most interesting points that came out of this research project. As Erika Watson, Executive Director of *Prowess*, the main women's business support umbrella organisation, states

'Real, inspiring stories can give women the confidence to say, 'I can do that'. Initiatives should try to bring successful businesswomen from their clients' communities on to the courses to talk about their experiences. It helps women to know that there are people like them running businesses in their community' (Watson, 2004, p.9).

The quote stresses that through 'real' and 'inspiring stories' women can feel that they can 'do it'. This is especially the case if women can be shown that there are role models coming from their own communities - 'people like them[selves]' - as that seems to make the goal to be emulated most realistic and reachable. As already mentioned in the foreword, 'role models', the lack thereof and how to 'develop' more female businesswomen as role models, are a very important issue in this report. Johansson, goes even further:

There is increasing evidence to suggest that making use of stories as a vehicle for capturing knowledge is one of the main carriers of knowledge of modern times (Czarniawska, 1997) and that storytelling offers the interviewee the opportunity to make sense of their situation and gives them the capacity to explain a series of events or an outcome. In terms of entrepreneurship research it has been suggested that 'storytelling' is closely related to entrepreneurial learning in terms of making sense of situations (Johansson, 2004; cited in Carey, 2006, p.4)

Particularly interesting here is the point made that 'storytelling' is closely related to entrepreneurial learning'. This suggests that in order to help women to get the best entrepreneurial learning it is useful to encourage 'storytelling'. This makes sense also in terms of the issue discussed above around 'entrepreneurial identities' and (many) women's difficulties in identifying with the role and persona of an 'entrepreneur' or 'business person':

- ❖ By giving women tools to 'story' their journey to become self-employed – including everything that went on before –this journey is made visible and more tangible.
- ❖ This in itself can help to have a better sense of 'who am I', 'where am I going' and often related issues.
- ❖ By therefore knowing oneself better, one can build up confidence better. This is related to the fact that it is harder to be confident about something one does not have much grasp of.
- ❖ Having an overall better grasp of one's story in relation to self-employment can help make identification with this new role easier.

As part of this research, a workshop was developed and trialled to help women to positively re-assess their life up to the present in a safe, non-threatening environment. As part of the workshop, entitled 'My Life Path', women were given ropes and other materials to 'physically' re-construct their life path and to mark important 'nodes' or life events. These nodes were to be named (such as 'wedding', 'birth of a child', 'death of a loved one' etc.). However, rather than staying with these often sad or painful events, the participants were also then encouraged to think of the ways that they 'grew' through these events and how these learning experiences made them into the people they are now. All the women attending found the workshop very useful and some of the are still using the tools acquired several months after the event to regularly re-assess their lives.

### **5.3. Mentoring**

Mentoring is often described as being very helpful by prospective and already set-up businesswomen. It can help with building up specific business knowledge relevant to their businesses, which in turn can build up confidence and enable them to undertake realistic risk assessments in relation to their businesses.

However, as the quote below makes clear, it is important that mentor and mentee are well matched and can 'connect' with each other. This does not necessarily mean that they need to share all or a lot of the same cultural, social and economic background, but that (as Fielden *et al* put it) they can 'identify' with each other:

'Effective support can only be provided by an individual who can identify with their mentee [...]. A mentor may be able to provide excellent business advice but, as the findings of this project demonstrate, personal circumstances are a significant factor in driving business development and growth for women. Thus, in order to promote increased participation by women in business ownership, any mentoring scheme must provide mentors that are appropriate for the target group' (Fielden *et al*, 2003, p.162).

The following two examples briefly illustrate the point regarding the importance of matching.

- Lisa<sup>4</sup>, a young woman who received a loan through the Prince's Trust to start her business found the business mentor assigned to her too much oriented on (business related) 'numbers' and therefore found it difficult to work with her. Lisa did not feel supported, but 'watched' by this mentor.
- Maria, who also received funding from the Prince's Trust was extremely inspired by her Princes Trust mentor as she was very helpful on 'developmental' and emotional issue, as well as business related matters. Maria was so content with her mentor that she volunteered to share her experiences with other prospective women for inspirational talks.

In addition to this, a recent pilot study conducted on e-coaching demonstrated that this type of mentoring may be particularly helpful and useful for certain client groups, particularly ones that are a) (at least minimally) computer literate and b) have strong time constraints and/or care responsibilities that prevent them from attending meetings regularly. The advantage of the e-coaching and mentoring is that it can be accessed flexibly at a time when and if it suits the mentee (and mentor, for that matter). The access to the service can be undertaken any time of day and for any length at any one time, making it very flexible to use (see Hunt and Fielden, 2005 for a detailed analysis on e-coaching and mentoring).

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<sup>4</sup> All names have been changed for confidentiality reasons.

## **5.4. Business Networking**

One point that was mentioned frequently in all the research conducted as part of this research project was the lack of affordable, unthreatening business networking opportunities for women:

'A lack of business networking groups was acknowledged to be a significant barrier in the development of women's business opportunities. Over 65 per cent felt that they would have benefited from having greater contact with other new and established business owners. In addition, 19 per cent stated that they would like to access to a "buddying" or mentor type of scheme, while 59 per cent of those who expressed an opinion would have preferred small business clubs or support groups' (Fielden, *et al*, 2003, p.160).

This is something that has already been addressed here in Walsall by setting up a *Women's Business Network* together with participants of previous self-employment courses at Breathing Space Ltd.. The women regularly taking part stress that this helps in various ways:

- ❖ meeting likeminded women
- ❖ exchanging important information in relation to their businesses
- ❖ acquiring customers or referrals
- ❖ helping to stay motivated as 'they are not alone'.

## **5.5. Outreach / BME**

Having discussed above the need to get a wide range of women – representative of the resident community of an area - to participate in enterprise, it is important to reach individual and specific groups of women that are otherwise 'difficult-to-engage'. Most of the literature suggests implementing 'outreach' facilities for these groups and individuals. A good starting point for and summary of this is offered by Dewson *et al*:

'Outreach' is a term that is often used but rarely defined. It applies to many policy fields, including education and health services, and essentially entails services being taken from their normative and mainstream institutional settings and providing those services in local community settings. [...]

Outreach services may so be defined as those that draw on partnerships and networks with other service providers to deliver and promote welfare-to-work services in local communities.

Outreach services can be employed to raise the profile of (more mainstream) services and inform potential customers of the provision and help that is available to them. Outreach services can also be used to reach and engage specific customer groups and those who do not tend to use mainstream services, i.e. those people who are 'harder-to-

reach'. Outreach provision can then be used as a means to deliver [...] to these customers, away from mainstream settings and in more informal and relaxed surroundings' (Dewson *et al*, 2006, pp.1-2).

'Harder-to-reach' communities or individuals can come from different backgrounds, such as very disadvantaged, 'disengaged' people of different ethnic backgrounds, including 'white' ones, as well as disengaged ethnic minority groups who feel disconnected from mainstream services because of cultural or social reasons, or because they have a history of negative experiences with 'organisations' and 'institutions' in general.

'Outreach is used to reach people who would normally be put off from accessing training like BME groups or those with chaotic lifestyles, or who are put off by mainstream services or had bad experiences at school' (Learning provider; cited in: Dewson *et al*, p.12).

*Breathing Space Ltd.*, the organisation behind this report, operates a successful outreach policy, particularly towards young, disaffected people from wide range of ethnic backgrounds (particularly Afro-Caribbean, white and Asian) and towards women from the Afro-Caribbean community. Members of these groups all use the business advice facilities provided by the organisation at different times and with differing frequency.

#### **Recommendation by Prowess regarding 'Outreach Services'**

'Services need to be appropriately promoted to women from BME communities. Suggestions include:

- Go to religious establishments and speak to key influencers.
  - Provide culturally appropriate material.
  - use religious festivals as an opportunity to interact with the different communities. Ensure that advisors know the religious and cultural calendars.
  - Use all faith forums.
  - Use other agencies and organisations to promote services, including hospitals and health centres.
  - Utilise radio and print media in an imaginative way – often people who do not read newspapers or posters listen to the radio.
  - Promote services via schools and through children'
- (Watson, 2004, p.23).

### **Recommendations by Prowess regarding 'Access' of services**

- Ensure that services delivered in a safe and appropriate environment.
- Use familiar environments such as mosques or community centres.
- Deliver services within the community, ensuring that it is accessible in terms of transport. Deliver services within the community, ensuring that it is accessible in terms of transport. Deliver services at times to suit women, avoiding school holidays.
- Be prepared to deliver services at weekends.
- Provide culturally appropriate material and case study examples.
- Provide childcare, preferably on site' (Watson, 2004, p.24).

In the empirical research conducted for this part of the study - which involved working with different community groups from different ethnic groups, plus interviewing (prospective) business women and men from different ethnic backgrounds and taking part in workshops specifically designed for different ethnic groups - the recommendations above have been confirmed and reiterated. A challenge fund project, funded by the RWEU (Regional Women's Enterprise Unit) and undertaken by Breathing Space Ltd. in 2006/2007 that was primarily developing further the organisation's outreach services, also confirms the same findings. The outreach services were provided in different venues and the uptake of the services by ethnic minority women was particularly high for organisations with an established reputation and beneficiary base in ethnic minority communities.

## 6. Research Strategy

### 6.1. Introduction

In the following, the research strategy for this research study, the different strands of research, the rationale behind them and how the choices made are valued with hindsight are discussed. Overall, this study is an **Exploratory Qualitative Research Study** the aim of which was to explore all the relevant and important issues regarding women's barriers to self-employment in an *innovative* way and to add to the rich research already undertaken nationally and world-wide on the relevant issues.

In order to achieve this, an extensive literature review of previous – academic and non-academic – research on related matters was conducted such that previous findings could be summarised and built upon. After the first phase of the literature research, the empirical research was started. For this, *focus groups* with beneficiaries and *individual, in-depth interviews* with beneficiaries, potential beneficiaries, already set-up business women (at different stages of 'maturity' of their business), academic researchers and practitioners in related fields of work were undertaken. Other lines of research taken were 'action research' (a very involved, often 'hands-on' type of research) and 'participatory observation'. Further, I took part in many conferences, symposiums and meetings related to the subjects studied.

Out of the initial desk research, a catalogue of questions for the various respondents approached was formulated which was continually monitored and revised as and when appropriate.

The questions asked can be summed up as follows:

- (1) motivations for business start up;
- (2) difficulties and barriers associated with start-up;
- (3) what type of help and assistance had been received;
- (4) the help and assistance found beneficial;
- (5) as women, what they had learned from their experiences;
- (6) other relevant issues


These questions were either asked from the perspective of the actual prospective or set-up businesswomen, or from the perspective of practitioners in the field of (women's) business advice.

As already mentioned, the study can be categorised as a qualitative, exploratory study, the intention of which was to 'give voice' to local/regional women on matters related to self-employment. The respondents were generally a 'member' of one of the following three groups:

- ❖ Set-up businesswomen
- ❖ 'Beneficiaries', intending to start a business
- ❖ Practitioners in the field of (women's) business and other advice

The reason for this 'giving voice' are two-fold: The first is literally to make sure people in the local area and region are 'being heard' (based on a feminist idea of representing people that are ignored, not heard, invisible etc). The second is to ensure that the specific experience of these local and regional agents are learned from in order to best answer the needs of the local beneficiaries. The second point is very important, because (as already mentioned) one major use of this study will be to develop toolkits and workshops addressing the needs of local women from the Black Country.

Another aim of the study was to 'test' the findings of the literature research undertaken against local/regional people's attitudes/reactions/behaviour. Locally and in the region the same issues emerged as had already been identified by most of the national studies undertaken in the past few years, most notably the Prowess studies (2004, 2005a, 2005b) and the DTI's *Strategic Framework for Women's Enterprise* (2003).



## **6.2. Summary of research activities**

With regards to the interviews conducted, the following research was undertaken:

- 18 extended interviews with already established business women;
- 20 extended interviews with prospective business women, or women on the self-employment course delivered by Breathing Space;
- 20 extended interviews/discussions with practitioners in the field of (female) business support;
- 5 extended focus groups with beneficiaries (= prospective business women);
- 1 extensive Challenge Team meeting which gave feed-back of main findings of research;
- extensive discussions/interviews with 12 leading academics in the field of female entrepreneurship and involvement in a larger network of academic research communities on related matters;
- several interviews and discussions with different people from ethnic minority groups.

Besides that

- A Women's Business Network for women in the Black Country was set up and led by the researcher.
- Sessions on a self-employment course delivered at Breathing Space were attended as an observer.
- A wide range of conferences, symposiums and meetings on relevant issues were attended.
- A self-confidence training course entitled 'Your Life Path' (in connection with development of a narrative methodology) was developed and undertaken by the researcher together with another trainer.
- Collaborative work together with a group of Afro-Caribbean women, (partly in an outreach capacity) was undertaken.
- An 'Enterprise Experience' workshop designed for the Afro-Caribbean community was participated in.

### **6.3. Problems encountered during research**

Considering the complex nature of the issues involved and the diversity of respondents consulted, not many problems have been encountered. The following, however, are worth listing in order to learn from them (for interested parties, all these issues are discussed in more detail in Part Three of this report):

- ❖ Rapport was generally fairly easy to establish with all different kinds of communities and groups of respondents. However, there were some cultural issues/difficulties in finding out the needs of (and finding the right ways to address them) with regards to some ethnic minority groups.
- ❖ Some of the issues around 'what makes a good entrepreneur' and 'entrepreneurial identities' were difficult to research and 'get a grip on'. To get a fuller picture, the researcher deemed it necessary to add 'participatory observation' and 'action research' to the methods used already (such as interviews and focus groups).
- ❖ As some of the target respondents come from quite a disadvantaged background there sometimes seemed problems in fully openly and honestly communicating with each other. This is partly related to a widely discussed debate about the advantages and problems arising from differences in background (such as gender, ethnicity, class, political interests etc) between the researcher and the respondents. It is – as has been concluded by many researchers (see for example McDowell, 1999) – not possible to fully account for the effects of these differences (or similarities). However, the necessity to be aware of this issue, is generally accepted in qualitative research communities.

## 7. Excursion: Looking at business support in the USA

In this section a brief summary of women's support delivery in the USA is offered. The research for this section consisted of the following:

- ❖ literature review;
- ❖ an extensive meeting with Dr. Megan Blake (a researcher at Sheffield University, specialising in female entrepreneurs with a special interest in the USA);
- ❖ a study trip to Chicago where three women's business support organisations were visited. Leads developed here, were followed up and fed back into the literature review.

The premise for this part of the research are common assumptions about the differences in female enterprise (support) between the USA and the UK. Interestingly, the research for this study seems to suggest that one of the main assumptions of this comparison - that the difference in actual percentage of female enterprises between the two countries is very high - needs at the very least to be looked at. These findings are based on a lengthy discussion with Dr. Blake, the outcomes of which were followed up with more research.

With regards to the US study, the major finding is that - according to Dr. Blake - the difference between US and UK in female entrepreneurship may not be as big as previously assumed. She claims that the assumptions are flawed because they ignore the fact that there are different ways of measuring what a 'female owned business' is in the two countries:

'In the USA and the UK the national governments collect data on woman-owned businesses, but defining a woman-owned business is not as straightforward as it might seem. In fact, in the USA, the definition used in the gathering of government statistics changed between the 1992 survey of businesses and the 1997 survey, which is the most recent one available. In 1997, the US Bureau of the Census began distinguishing woman-owned businesses as those where at least 51 percent of the "interest, claims, or rights in the business" are held by women (US Bureau of the Census, 1997, p.6)'

Therefore, only recently have the two countries defined 'women-owned' businesses in similar ways.

According to several people working in the field, the main reason for differences may well lie with a long established entrepreneurial culture established in some ways as part of a 'founding myth' of the US (go-getting, innovative, celebrating self-made people), plus a bigger acceptance (and implied allowance for some failures) than in the UK that it may take more than one attempt to become a successful entrepreneur.

The organisations in Chicago that were visited or with which their work was discussed did not seem to provide a very different service from what

organisations, especially the best ones (for example the ones with Prowess Flagship status) offer in the UK.

The main difference seems to be, a generally much more entrepreneurial culture in the country as a whole. Issues like bankruptcy and 'failing' a new business are constructed differently in the US than in the UK. While having to declare bankruptcy in the UK will make it very difficult to secure funding for another 'attempt', in the US it is much more accepted that it takes more than one attempt to really get a good business 'off the ground'. As the law related to bankruptcy recently changed in the UK, this may well help change some of these issues in the UK business culture.

Notwithstanding the above, a study visit by Prowess showed that a big difference does seem to exist in the USA in a willingness from policy makers to nurture business culture/ entrepreneurial culture. This is summed up well in a study report by Prowess:

'Our visit to the USA left many of the party in no doubt that if we are serious about growing the numbers of women starting and growing businesses in the UK, a similar long-term legislative approach be required:

#### **Prowess Recommendations**

- The DTI should establish a multi-sector National Women's Business Council to advise the SBS, RDAs, Ministers and Government on issues of importance to women-business owners.
- A Women's Enterprise Development Act is needed to ensure that this a long-term priority across national and regional policy.
- More effective gender disaggregated data collection.
- Creation of a securely-funded national network of Women's Business Centres to work alongside the Business Link network.

(Prowess, 2004, p.5) (see also <http://www.prowess.org.uk/facts.htm> for more details on differences between US and UK women's enterprise (support)).

## 8. Conclusion

To conclude this report it is important to stress again that the issues of confidence building and risk assessment in women wishing to start a business are very complex. This, in turn, means that action needs to come from all the following sources: business support agencies, government/policy, banks and 'the' women themselves.

The research shows that issues of confidence and risk aversion are connected to the relevant women's (lack of) business knowledge, role models and business experience. All the respondents interviewed stated that having improved their business knowledge (for example through a self-employment course) they felt much more confident about themselves, their business and themselves as business women. Most respondents stressed however that it is important that the business knowledge is relevant and at least partly tailored to individuals' needs.

It is therefore vital to ensure that business support providers, banks and other relevant organisations in the field of female entrepreneurship realise that in order to increase women's participation in the field of self-employment it is important to adapt to women's need in the field of business support rather than to expect women to just 'fit in' with existing business support provision; especially as that provision is often based on flawed assumptions.

'Feminists argue that gender is an element of perceived difference between men and women, as well as a way to signify power relationships (Scott, 1986). Because entrepreneurship is gendered masculine, women as opposed to men have additional burden of establishing legitimacy as viable entrepreneurs. Women's participation in entrepreneurship, [...], is likely to challenge notions held by bank loan officers and do the regarding definitions of who is an entrepreneur. Women are therefore subject to a kind of gendered legitimacy that men do not face as they start and run their businesses' (Blake, 2006, p.10).

Overall, most of the research to-date (such as Blake, 2006; Fielden *et al*, 2003; Prowess 2005, 2004; Hanson and Blake, 2004, Watson, 2004) has been confirmed with the empirical material of this study. In summary, the major barriers for women wanting to start a business are

- lack of self-confidence;
- issues around risk aversion; and
- care responsibilities.

With regards to addressing these, most respondents welcome

- self-confidence training;
- mentoring/coaching;
- female local or regional role models (possibly from similar ethnic backgrounds to themselves);
- opportunities to network in a safe and unthreatening environment; and
- help with childcare and childcare costs.

The research mostly confirms, repeats and re-iterates what has been said by the Strategic Framework for women (SBS/DTI, 2003), other service provider's research and reports, plus countless academic papers (such as Blake, 2006; Fielden *et al*, 2003; Prowess 2005, 2004; Hanson and Blake, 2004, Watson, 2004).

Important points are as follows:

- women prefer specialised business support, female mentors and female, preferably local/regional role models (and ones from their own ethnic background, with respect of BME women) and networking opportunities which are un-threatening and affordable.
- in terms of the most disadvantaged women (mainly women from very poor backgrounds – white and ethnic minority women alike – and here particularly women with care responsibilities and here particularly women who have no other adult person in the household) outreach facilities for services (such as business support but also accessibility workshops) should be provided. One service provider in Walsall consulted said the response to their outreach work had been overwhelming with many courses booked up.
- important barriers seem to be real and perceived issues around being accepted into the business world, being taken seriously and being able to take themselves seriously.

In addition to the above outcome of the empirical research for this study, the *Learning Surgery*, an organisation in Smethwick that worked mainly with women from 'Indian, Pakistani and Bangladeshi backgrounds and those from recently arrived communities, such as Somalia and the Yemen' (The Learning Surgery, undated, p.8)<sup>5</sup>, states in a list of recommendations that

'organisations which are considering establishing enterprise training projects for women from BME backgrounds in deprived neighbourhoods should

- use local intermediaries to undertake research at a neighbourhood level when designing and specifying services
- use a variety of techniques to encourage women to come forward and to take up enterprise and learning opportunities including a range of 'taster courses' and vocational training programmes [...]
- complement small business skills training and vocational skills with short-term work placements to enable those women who haven't worked within the formal economy to get used to working
- offer a mentoring service, as opposed to traditional business advice
- provide flexible learning opportunities that enable women to learn at their own time and at their own pace in community[based facilities that are sensitive to local cultural needs' (The Learning Surgery, undated, p.9).

The recommendations compliment the outcome of this research very well.

However, despite there being some real and immediate things that can be done about helping women into business, there are also quite few 'big' structural problems that need to be tackled nationally or even Europe-wide that make enterprise more difficult for women. These include the disparity between women in men in relation to pay and earnings overall, and the fact that culturally women are more likely to have and to take on long term care responsibilities. In addition to this (and to repeat), change has to come from the business support providers, banks, policy makers and other relevant partners:

'The institutions appear to have made little attempt to recognise that not all small business owners fit the stereotypical images. Those who differ from that image, e.g. women, especially those who are not from white, middle class backgrounds, continue to experience discrimination and a second class' (Fielden et al; 2003, p.164)

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<sup>5</sup> The Learning Surgery (undated) 'The Learning Surgery – renewal.net Case Study'; viewed at [www.renewal.net](http://www.renewal.net), December 2006.

'As with the service providers, if organisation want to attract new clients from previously under represented groups, their internal structure must change to incorporate those groups and they must be far more proactive in overcoming the traditional image of financial institutions' (Fielden et al; 2003, p.164)

Overall, the two most innovative outcomes of this study are as follows:

- ❖ With regards to confidence building, **narrative methodologies/tools** that help women to 'make sense' of their new roles are extremely beneficial. In the process of 'making sense' 'standing' and confidence are gained.
- ❖ With regards to risk aversion, apart from helping women gain more business knowledge and experiences to base their decisions on, the development of risk assessment tools to be used by (prospective) business women, is highly recommended.

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## 10. Appendices

### Appendix 1: Main Barriers

'The **Strategic Framework** published in April 2003 summarises the **main barriers** experienced by many women when establishing their own businesses to be

- Lack of appropriate business support
- Access to finance
- The impact of caring and domestic responsibilities
- Difficulties experienced in the transition from benefits to self-employment or business ownership
- Lack of appropriate role models
- Low levels of confidence and self-esteem' (Prowess, 2005b, p.8; emphasis added).

*Fielden et al*, one of the leading research groups on female entrepreneurship in the UK (based at Manchester Business School), are more descriptive and list a few more barriers; essentially, however, the lists concur. Again, the quote sums up very well what the majority of the respondents in the empirical work I undertook expressed, too. It also draws together the findings of most of the literature reviewed for this report.

'The **most common business, economic and personal barriers** experience by the women [...] are [...]:

- overall negative attitudes towards them as "female" business owners (particularly by men)
- lack of affordable business premises;
- high small business rates and overheads;
- inadequate and restrictive business start-up grants;
- cashflow problems;
- childcare problems;
- lack of business networking and support groups;
- inconsistent support from service providers (including patronising attitudes from male dominated staff and male course attendees);
- dissatisfaction with support/services from banks (particularly from established business owners);
- lack of confidence; and
- limited expectations about future business progression' (Fielden, et al, 2003, p.159; emphasis added).

## **Appendix 2: Recommendations and Outcomes regarding barriers**

Moving onto the main recommendations and outcomes of this study, again, a quote by Fielden *et al* (see below) sums up most of the issues that have been highlighted by the studies (such as Blake, 2006; Fielden *et al*, 2003; Prowess 2005, 2004; Hanson and Blake, 2004, Watson, 2004), reviewed and by the findings of the empirical work underpinning this report. Most of the points raised below – and some more – will be discussed in more detail below (see 5) Findings).

(1) Business support – service providers need to be more proactive in promoting integrated business support awareness programmes designed specifically for women, e.g.:

- Saturday morning clubs;
- confidence building courses; and
- training and support programmes [...].

(2) mentoring schemes: introduce mentoring schemes providing women with female business owner role models.

(3) Business networks – introduce business networks which are :

- affordable;
- held within communities at suitable times and suitable locations
- incorporate training sessions, outside speakers, etc; and
- use as a base for mentoring schemes.

(4) Financial institutions:

- need to be more proactive in encouraging women to take up their services; and
- need to educate and train their employees to support and increase their female business owner clientele.

(5) Starter unit premises [...]

(6) Childcare: the government needs to present new guidelines and stricter monitoring of the "working family tax credit" (Fielden, *et al*, 2003, p.161).

As stated before, from the empirical material of my own study, all of these issues above emerged as well. The suggestions that were stressed as most important by the respondents of this study were the following three:

- Access to affordable and relevant Confidence Training
- Training in how to be/act more 'professional' and in developing an appropriate 'business persona'
- Networking facilities that are none-threatening and affordable, as self-employment was seen to be lonely; also to support and learn from each other.

## Notes

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**Equal**

