



Advising Female Entrepreneurs – A Range of Practical Support.

Produced by:

Debra Blisson – Consultant & Marla Nelson – Assistant Director

(Women's Business Development Agency)

Presented @

The International Council for Small Business 48th World Conference - Belfast

15-18 June 2003

Advising Female Entrepreneurs – A Range Of Practical Support.

Debra Blisson, Consultant

Marla Nelson, Assistant Director

Women's Business Development Agency

Kudos Business Centre

679-691 Foleshill Road

Coventry

CV6 5JQ

England. UK.

Fax: (0044) (0)2476581958.

Email: admin@wbda.co.uk

Web site: www.wbda.co.uk

Abstract.

There is currently much global interest, into the development methodologies and approaches to supporting business start up and growth (Beaver, G, 2001; Manu, G, 2002; Miehlabrad, A, 2002). This is particularly so, for groups of people who are currently under-represented in the business community. The Small Business Service, Social Inclusion Unit (a part of the Department for Trade and Industry) has provided funding, under the title of the 'Phoenix Development Fund', in order to support innovative approaches to business development with such groups.

The Women's Business Development Agency has been in existence in the West Midlands region of the UK for over twelve years. The organisation provides business counselling, advice, guidance, training and support to women, predominantly from black and minority ethnic groups, women from low income households and other women who are either economically or socially disadvantaged.

The following paper will discuss action research undertaken as a part of the Agency's successful project, funded under the 'Phoenix Development Fund'. Work has been undertaken in four, diverse geographical areas across the UK. These include inner city conurbations, a mix of rural and urban areas and solely rural environments. These areas were chosen, in order to explore whether there were diverse methodological approaches for supporting potential female entrepreneurs in these areas.

A range of development methodologies will be posited, with initial findings given for these various approaches to small business development for women. Examples will be given, in the form of case studies, interviews and observations gained during the course of the project to date.

The project continues for a further twelve months, and as such these are interim findings of the research. Nevertheless, the paper provides detailed insight into the support needs and requirements for disadvantaged women seeking to start and maintain a business, in a mature economic environment. Practical implications and indicators for further research will be given which may aid those concerned with developing models of 'good practice' for female business support, worldwide.

Introduction.

The Women's Business Development Agency has operated in the West Midlands region of England since 1990. The organisation is a company limited by guarantee, which provides business counselling, advice, guidance, training and support to women, seeking to become self employed, or those already in business. The client group served are predominantly from black and minority ethnic groups, women from low income households and other women who are either economically or socially disadvantaged (e.g. single parents, women with disabilities). The organisation has a staff of ten, including a director, business advisors, trainers and support staff. The company has its own premises, and provides its services, on an 'outreach' basis, within communities of interest.

With its track record in providing 'women friendly' support to female entrepreneurs for over twelve years, the agency rose to the challenge of applying for a major fund established in 2000 by the Government Department for Trade and Industry (henceforth referred to as DTI). A section of the DTI was established to examine the needs of socially excluded groups and individuals. This 'Social Inclusion Unit' was responsible for the launch of the 'Phoenix Development Fund'. The fund was used to encourage innovative ideas and methods of providing support to those facing disadvantage, or difficulties accessing 'mainstream' business support provision (e.g. Business Links in England). These were precisely the client group whom the agency had previous experience of dealing with.

The agency successfully attracted funding for its project, called 'Bridge Over Troubled Waters' in 2001. The 'Bridge' Project was based upon the premise that fewer women than men start businesses in the UK and that there are fewer existing businesswomen than men. Shaw, Carter and Brierton (2001) highlight these points, stating:

"There may have been fluctuations in the number of self employed women over the past decade, but the female *share* of self employment remained relatively constant. In 1990, women made up 24% of the self employed population. In 1998 this had increased to 25.8%."(p8).

Context of the work.

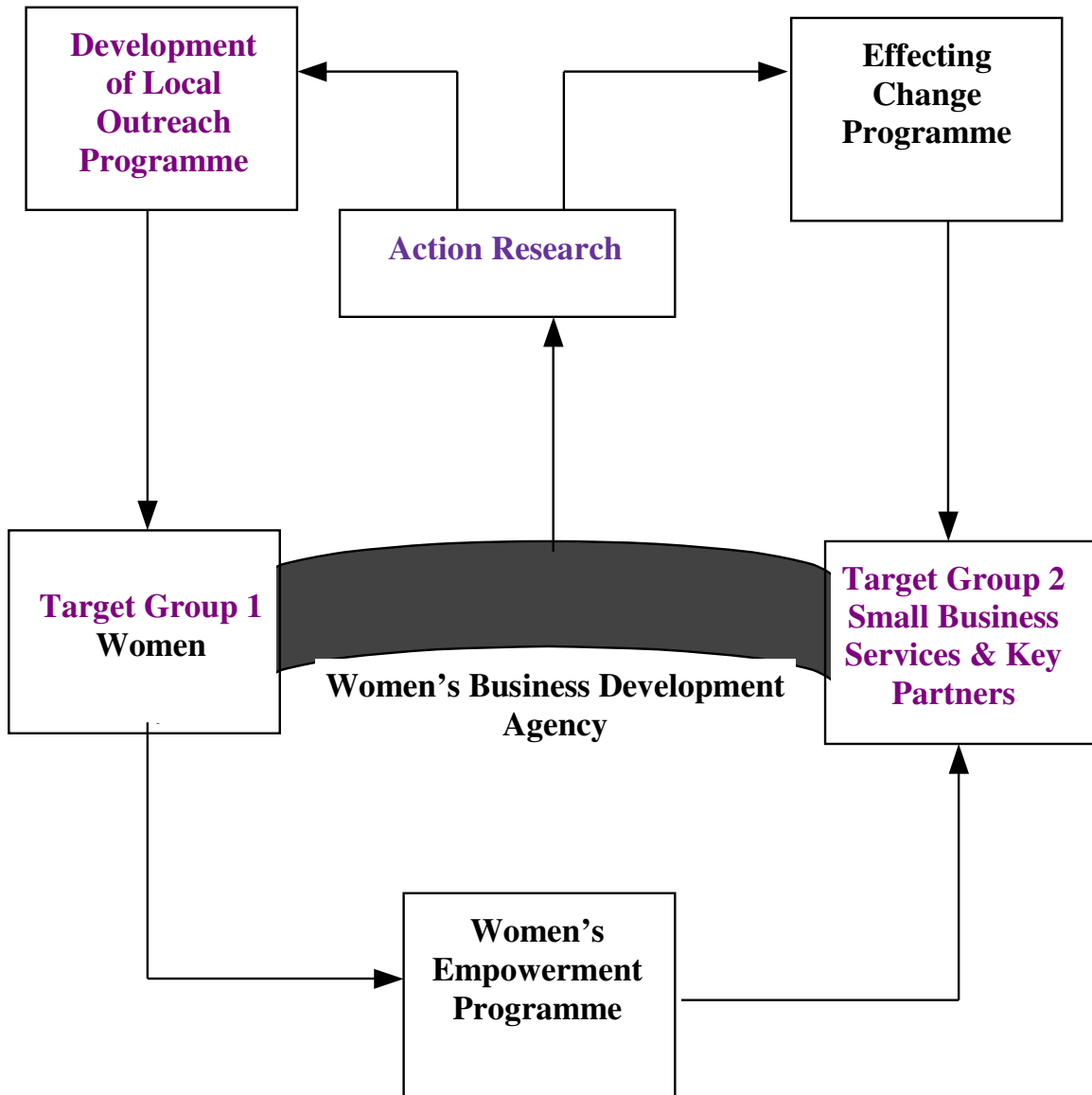
Changes in labour market requirements in the UK over the last twenty years have seen women gain greater employment opportunity, outside of their domestic roles. Women's participation in the wider labour market is increasing at a faster rate than that of men. (Bimrose, Green, Barnes & Orton, 2003, p2). However, where women work, they need greater flexibility, in general, due to their continued primary carer role. This need for flexibility can lead some women to seek to be their own boss (NOP3, 1999).

With only 26% of all small businesses owned by women, the UK falls behind other similarly developed societies in encouraging female business ownership, and self-employment. The Global Entrepreneurship Monitor (2000) included sections that explored female entrepreneurship across the world. The findings clearly showed that higher levels of economic prosperity can be found in countries which have higher levels of women's enterprise within them.

The UK appears to do relatively well, in comparison with other northern European countries. (Shaw, Carter and Brierton (2001, p10). However the USA is far in advance of the UK. The USA has seen fast growth of female entrepreneurship, with women now making up 38% of all small business owners (Brush and Hisrich). Many government initiatives have been launched in the US, to support women entrepreneurs, including local enterprise centre networks for women, and a variety of flexible training and development options. The USA Government established an Office of Women's Business Ownership' in 1979, which has a formal office in the Government Small Business Administration. This currently does not exist in the UK, which leaves a gap in co-ordinated approaches to support women entrepreneurs. The Bridge project was an attempt to 'bridge that gap', on a small scale; exploring what could be done with a co-ordinated approach to business start up and growth for women who may not access existing business support provision in England.

A model of the 'bridge' is shown in figure 1, overleaf.

THE BRIDGE MODEL



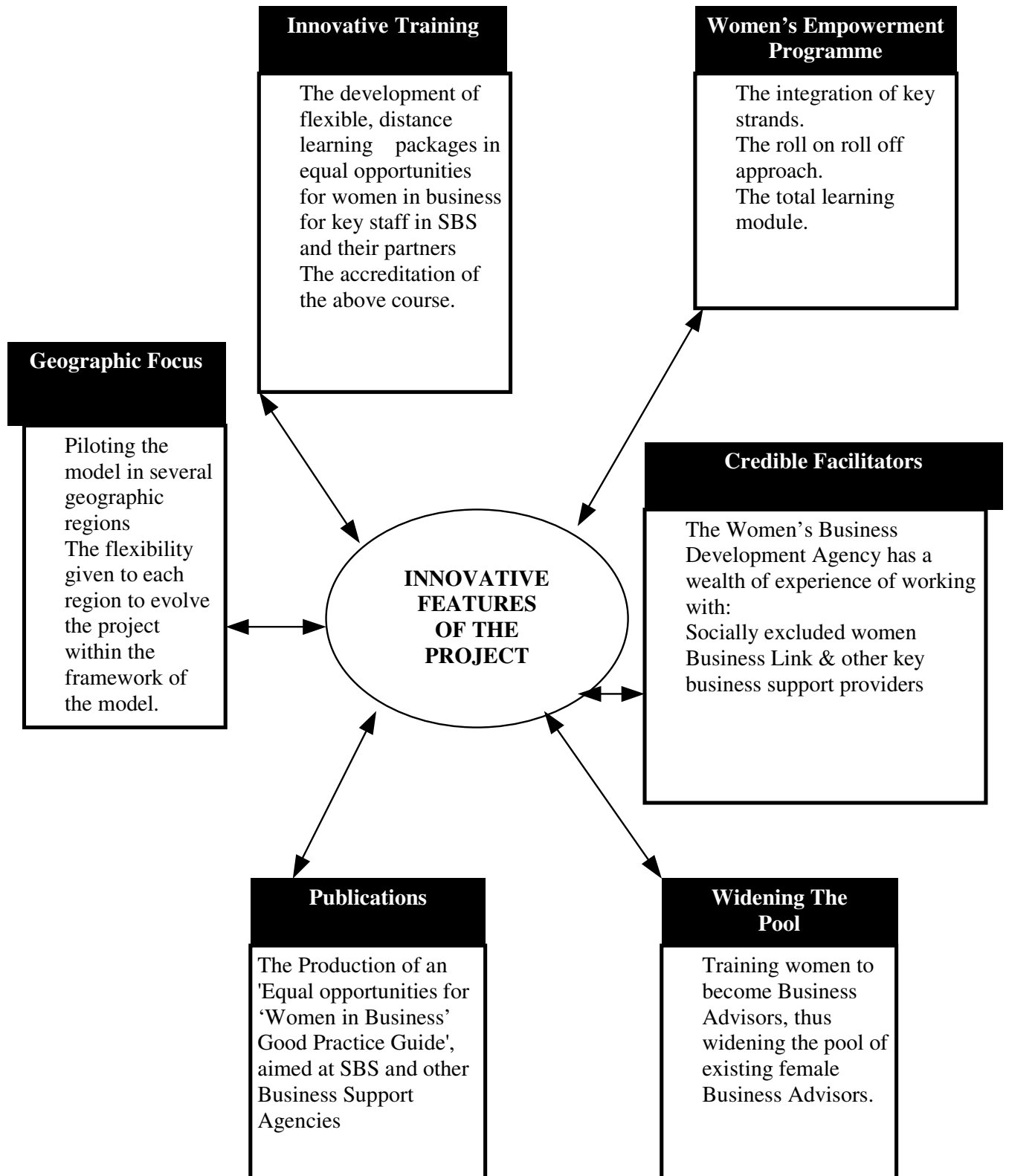
Innovation in the project.

The project was also underpinned with a number of innovative features. Figure 2 below shows the type of approaches that were adopted. One of the key components was the wish to influence both the demand and supply sides of the business advice arena. From the agencies experience, many women use the services precisely because they have access to female advisors. The project sought to take positive action to ensure a pool of qualified and experienced female advisors could be available in the regions in which we operate. A training and accreditation system has been established (linked to national accredited standards), and a number of experienced business women are to be recruited onto this programme.

Another innovative approach was the Development of the Women's Empowerment Programme (henceforth referred to as 'WEP'). The WEP is a series of training events, specifically designed and delivered for women, by women. It is a structured programme, with a one-day introduction to business (titled 'A Confident Start'), and a three day 'DIY Business' course. The materials were designed and developed by the agency, in order to enable women to make the first steps into self employment. Materials are relevant to women's lives, with case study experience, guest visits from business women and female business professionals. The trainers and staff supporting the programme have all had businesses themselves, which also helps to gain credibility with the female participants.

The Agency commenced the 'Bridge' project in 2001 and it is not due for completion until April 2004. As such, this paper highlights 'work in progress'. It is an interim report, which enables our initial findings to be communicated and debated, as project activity continues.

INNOVATIVE FEATURES



Project aims.

The project aims to:

- To provide insight into business support needs and preferences of women
- To encourage more women to investigate the option of self employment
- To identify some of the key barriers to women's participation in business start up and growth.
- To outline some of the requirements determined by the women, in terms of business start up and business development support

Methods used.

It is important to note that the range of support provided to women who want to start a business (referred to as 'pre-start' clients), varies from that given to those already trading (referred to as 'existing trading' clients). There is a difference in the type of support required for business planning in the start- up and growth phases.

A further important point raised by many writers is that women are not a homologous group (Allen and Trueman, 93, Carter et al, 2001). It is therefore important to define the types of women's businesses that are to be worked with. For the purposes of the work of the Agency, a women's business is defined as a business, run, owned or managed by a woman. In the case of a partnership, the woman must own the majority shareholding. These types of women therefore provide the sample under investigation.

In order to further explore the diversity of needs, an additional variable was added to the project. The agency sought to work in different geographical areas of the UK. The study looks at women operating in urban, rural and mixed urban/rural areas of the UK. The urban area is Birmingham; the rural Devon and Cornwall, and Coventry and Warwickshire has a mix of both urban and rural areas. There are three key approaches which are common to all of the geographical areas in which work is undertaken. These are:

1.Data collection, analysis and dissemination.

Within each geographical area, staff seek to identify statutory and non statutory organisations, community groups, key contacts etc, so that linkages can be made. This assists the Agency in two ways:

- By raising awareness of the project (and Agency)
- By establishing a referral point for both organisations.

In turn, this enables local organisations to widen the array of services they are able to signpost women to, depending upon their needs.

There are a variety of organisations identified, which differ from area to area. However the agency always seeks to get involved locally, with nationwide government funded initiative. For example, these range from Neighbourhood Renewal Fund projects, Regeneration Zone projects, Sure Start & New Deal for Communities projects. These projects have proved to be successful working partners for the Bridge project, as their clients tend to have similar characteristics to those we seek to recruit onto our activities; there is synergy between the projects. These projects also enable Agency staff to engage with our client group on their own territory, with a range of support partners & services.

There is a symbiotic relationship gained through partnership-working in this way. This approach builds contacts and credibility with key players involved with grass roots 'inclusion' activities, yet has other benefits to the project. The major advantage is that referrals are made to the agency by other organisations. Subsequently, the agency develops relationships with them, which have other spin off opportunities. These include, for example prospective joint funding bids to develop the work further in situ. To date four such applications have been made, including a successful ESF Co-financing Project: New Opportunities for Women with Coventry City Council & Adult Guidance)

2. Awareness Raising/'Outreach'.

This activity combines utilization of the data, with the partnership arrangements established in the initial phase. The agency seeks to actively 'reach out' to potential female business clients, rather than

to be passive. Concentrated 'outreach' & awareness raising activities are undertaken between the agency and partners. Press releases are produced and distributed to all local press; local radio interviews are undertaken, poster placed in areas where women meet, i.e. in schools, clinics etc. Press releases are also distributed to local networks i.e. Adult Guidance Networks, Voluntary Services Councils - who in turn distribute them amongst their members.

3. Local delivery in 'friendly' venues.

Wherever possible training delivery is undertaken in local community group hall i.e. anywhere that is as least imposing for women as possible. It is preferably that training for this client group is not undertaken in an educational, or typical 'business' type of establishment. This is to enable the women to be 'at ease'; some may lack confidence, or may not perceive themselves as having a legitimate reason to enter a 'business centre', if they are only thinking of starting a business, or trading on a small scale.

General findings to date.

Coventry and Warwickshire

The agency is based in Coventry, and has had a successful track record in providing support to thousands of women throughout its history. One of the key client groups targeted are women from black and minority ethnic groups, particularly women from African and Caribbean backgrounds.

The agency was engaged in undertaking research for the City Council in the mid 1990's, exploring the needs of such women. The agency is currently running a targeted programme for such women, in conjunction with the local authority.

Our research findings showed "widespread agreement that the African-Caribbean community 'gets a raw deal' with respect to available provisions in Coventry City (Goulbourne Report for 'The Needs of the African-Caribbean Community in Coventry (1995).

A Report for the Business Community Partnership (Soar, S. 1998) confirms that such racism forces a concentration of people unable to progress in their careers as hoped, which often means individuals do not have the full set of business skills as they have not had the opportunity to progress into

supervisory/managerial positions, due to discriminatory barriers. They may therefore need extra help in putting together sound business plans, and may also need training in business skills, etc.

Qualitative research was conducted amongst the entire client groups prior to rolling out the first delivery phase of the WEP programme.

Of all the women interviewed, ninety percent confirmed they had issues regarding confidence and low self-esteem. A substantial part of the WEP programme was therefore dedicated to the improving these issues, giving the women that additional confidence and morale boost that would have prevented them from initially attending the workshops. This initial 'one day' confidence booster worked to motivate the women that they could attend further training.

Whilst conducting the research and local outreach activities, we also discovered, not-surprisingly, that the client group (i.e. socially excluded women), were not at all likely to even consider becoming self-employed, and we found that 'selling' the programme on the back of the 1-day 'confidence boosting' module, significantly improved our recruitment success rates.

WBDA are committed to quality and continuous improvement. Detailed, ongoing evaluation is made of all materials and training methods to ensure any issues can be rectified, and client feedback is an invaluable tool, enabling us to keep the WEP programme 'fresh' and amended accordingly in relation to the specific needs of the group. The programme is evaluated on a constant basis – both quantitatively (to ensure promised outputs & outcomes are achieved) as well as qualitatively (to ensure that we are meeting the needs of the women we work with). An example of this is given below:

The programme was recently attended by a severely disabled woman attend. It was identified by both the trainer after day that she did not feel confident or comfortable within a group environment. As the programme is so flexible in its format, this particular woman was able to benefit from being taken out of the group and received more in-depth, one to one support over an extended period.

Following delivery of this 1-2-1 support we were aware there may be many more women in the city with such needs – research was therefore conducted and an European Social Fund /Learning and Skills Council - Neighbourhood Learning in Deprived Communities application has recently been written as a result, in the hope of securing funding to equip disabled women with the necessary skills and confidence to enter self-employment.

The Agency feel it is important for a new generation of potential African-Caribbean female entrepreneurs to have any barriers to opportunity removed, so they are able to establish a wider range of successful businesses. Out of 100 Ethnic Minority Businesses (EMB’s) interviewed in Coventry & Warwickshire, 89% were owned by men, with just 4% owned by women. Most businesses are Asian owned (70%) with only 5% Afro-Caribbean owned. (Middlesex University, 2001). The same report also confirmed that 80% of African-Caribbean businesses in Coventry & Warwickshire experienced difficulties in finding business support. Female African-Caribbean & co-owned businesses showed greater dissatisfaction or experienced more difficulties accessing mainstream business support than African-Caribbean men.

Disabled women in Coventry & Warwickshire are twice as likely to be unemployed as non-disabled women. Employed disabled women have lower average hourly earnings than the non-disabled and this pay gap is increasing. (Brimrose, J et al (2003).

To date (February 03) we have trained total 129 women on the WEP programme, of which 8 women were registered disabled. Ethnicity of the women can be split as follows:

3 Arab	1 North African
27 Asian British	3 ‘other’
22 black British	65 white
1 Chinese	3 white other
3 Indian	1 mixed race

In terms of local outcomes for Coventry and Warwickshire, there follows a couple of examples:

“KG had a business idea for years but did not know where or how to start setting up the idea as a business. After attending the WEP she learnt she needed a positive attitude and needed to build her self-image as she is the starting point of the business.”

“XX runs her own business but lacked self-confidence and the ability to deal with her clients face to face prior to attending the WEP. Her self-confidence grew during the course and it helped her to identify her weaknesses that are stopping her existing business from being successful. XX has since registered a member of her staff to attend the same workshop.”

Both women are receiving support from our pre & post business advisors.

In general the agency is having a ninety per cent success rates in terms of women seeking business start-up support & advice after attending the WEP workshop. However, when delivering outside of our own region, women often prefer to be assigned a female Personal Business Advisor, and in some areas this is not always possible.

We are addressing this by ensuring local Personal Business Advisors are as closely integrated into the delivery of the WEP as possible, which includes gathering of local successful female entrepreneur case studies, opportunity to meet with the local PBA whilst attending the WEP & booking dates in their diaries for business advice & support. We are also seeking to train further women in the area to become business advisors.

Working within its' own region (the West Midlands), the agency ensures that it is represented and participates at various consultation forums with people from diverse community groups, concentrating in particular within wards with high indices of deprivation. We continuously develop links between ourselves and many groups that are highly likely to be in contact with our potential client base, and have set up partnership arrangements with City Council and other non-statutory

groups to provide the elements of an integrated package of support as required by socially excluded women. For example, within Coventry & Warwickshire we ensure women we work with have access to free Welfare Rights, debt and money management advice, basic numeracy, literacy and other vital support.

Devon and Cornwall

Six areas of Devon and Cornwall were examined for the project. These were: Torbay and Penwith, Bodmin Moor and Rame Peninsula, East and North Devon.. In these areas, we undertook interviews with ten women. The interviews were informal in conduct and involved using open questioning to elicit information.

Many of the women spoken to, found that they did not know where to go to get support for starting a business. Job centres were often seen as the first point of call, with only a couple of women mentioning Business Link. Some women were finding themselves 'pushed' into self employment, due to the need to diversify the farmland in the area.

Issues of lack of confidence, lack of business acumen, time away from the labour market were raised by many 'pre start' women. These factors continue to be a major obstacle for women; they were highlighted in the mid 1980's by writers such as Carter and Cannon (1988). Nearly fifteen years later, the same issues arise.

Working closely with Devon & Cornwall Business Link and the local Enterprise Agencies network, we have developed a client focused referral system, to ensure women receive the most appropriate local support at each stage of their progress through the business start-up process. Our 'Bridge' project ensures that all women interested in pursuing self-employment are fully integrated in the local business support network through Business Link and their Gateway Team. Our project complements and enhances local business start-up support provision and we anticipate will reduce their 'drop out' rates. This is because many of the socially excluded women that these agencies

normally see, tend to drop out of the business start-up support, without seeing it through to the end. They fear that their lack of knowledge or confidence will be identified as a sign of a lack of business acumen. The WBDA programme approach, seeks to address and rectify this issue, by acknowledging many of the fears associated with business start-up and helping women to overcome them.

Within Devon and Cornwall, we have developed appropriate partnerships. One example is the Cornwall Self-Employment Programme, who have run two pilot projects to encourage women into self-employment. They have had a 65% business start-up rate, from these two projects, which is significantly higher than the UK national average of 25% (SBS, 2003). All these women have since developed their own support group, and are available to deliver peer & mentoring support should any women we work with in the SW region require it.

Research undertaken in Devon & Cornwall on behalf of PROSPER in 2001 highlighted that:

- There is strong evidence that women are increasingly starting their own businesses in the sub region
- High quality business counseling is needed which includes counselors being trained in equal opportunity training, and specifically in methods and approaches for dealing with women clients
- Confidence building should form the core part of a foundation course for women's start ups
- Women would benefit from in-depth business mentoring, particularly during the early development stages of running their businesses
- Women mid life changers are increasingly starting businesses but find it difficult to raise finance at start-up and lack financial management skills. These women require business planning assistance and help with approaching banks and other funding agencies.
- Business advice & training should be offered with the provision of childcare facilities and or at times when children are in schools or nurseries

The Small Business Service 'Women in Business Ownership Report, 2001' identifies a wide range of barriers faced by women when seeking to start their own businesses, they include:

- Slower business incubation periods
- Accessing resources
- Lack of contacts & access to networking
- Gender discrimination & stereo types
- Weak & inflexible supply of childcare facilities
- General barriers to growth

The agencies activities in the South West regions support the Regional Sustainable Development Framework, by contributing to the establishment and continuation of sustainable & vibrant economy in Devon & Cornwall. We are developing the capacity of individual women to start up their own businesses in the county, enabling vital business, pastoral & financial skills development support provided to women that would have not potentially accessed such services, thus underpinning the growth of the individuals and potentially generating wealth for the local economy.

Cornish SME's and entrepreneurs are a highly diverse group and we have found their needs must be addressed in as flexible and as responsive a manner as possible. Our project is accelerating the development of women's enterprise in the South West and significantly improves the equality of opportunity in the Counties where levels of self-employment and new firm start-up rates among women have been traditionally poor.

We have discovered that the South West region is an exceptionally insular region and does not initially take kindly to 'outsiders' – especially 'foreigners' working on 'their patch'. We have therefore had to allow for a substantial amount of time into our delivery schedule to allow for negative attitudes and fears to be turned around, and relationships developed. This must continuously be developed and we have taken a decision for our Training Manager to relocate acting

as our 'satellite' office, to devote more time to local relationship building and concentrated outreach activities.

In turn, working with the client group within this region, has taken longer to build up trust with the women than it has in other regions, and make a significant impact at grass roots level as they are very suspicious of 'foreigner's' – this is where prior relationships made with key players & contacts in grass roots organisations prove invaluable.

With regards to the more isolated rural areas, access to services is a key issue and we have linked with an organisation that is seeking funding to convert a mobile breast-screening unit into a mobile training unit with ICT facilities. We will then be able to hire the mobile unit and go into the far more remote areas, enabling local women to access our support quite literally on their doorstep.

The types of businesses women are interested in setting up are significantly different to the types of business women in the Birmingham & Solihull region are interested in. For example, women in the South West are more interested in setting up alternative/holistic therapy businesses, arts & crafts etc, – whereas in the more urban areas, there is a diverse mix of catering, manufacturing etc.

There has not been the multi-cultural mix experienced whilst working in the West Midlands region; all workshops delivered in the South West, attendees have all been of white UK origin.

Birmingham

As seen from the information above, the approach in Birmingham has been quite different. As the largest local authority in the UK, Birmingham has a track record of providing a wide range of training and development support to potential and existing business people. There are an abundance of business support providers in the City, many purporting to provide services to women. The agency has a record of working in the Birmingham area, and as such had a previous 'track record'.

To date, the agency has held four one-day awareness raising courses, and two four-day programmes. The courses have all been well attended and over half of the participants have progressed to developing business plans for potential future action.

The majority of workshops delivered in Birmingham & Solihull have been made up of multi-cultural groups. Participants range of different ethnicities, as well as educational, social and financial backgrounds. This combination makes for excellent group dynamics, as participants all bring different experiences to the group.

Comments from course participants included:

- *“The course has helped me get direction. I will concentrate on one idea at a time.”*
- *“The workshop was very informative. I like the comfortable style it was delivered in”*
- *“I really want to get out there & start the business now.”*
- *“I’ve been inspired”*
- *“My husband will be shocked I know so much about starting a business”*
- *“It’s been great getting all this information whilst having fun”*
- *“Can’t wait to get started”*

Implications for further research.

- We are increasingly meeting with women who are entering self-employment are already running their own business and generally don’t want to make from their businesses, as they seem to feel that their type of service is a natural gift and feel awkward about charging for it (i.e. healing therapies). One woman in particular works with Aloe Vera products and has entered this business because she herself has benefited from the use of the products and donates all her profits to a breast cancer charity.

Such women are the future generation of social entrepreneurs – however, they are oblivious to the social enterprise concept and have no understanding of what it is about and the benefits it has

to the needs of their local communities – this presents future opportunities for WBDA to develop and nurture a female social enterprise community, on a similar model to our WEP.

- We believe that women suffering from social exclusion issues (disability in this particular case) have an important role to play in the regeneration of their local economy. One in five of the working age population in the West Midlands region is disabled.
- The Draft Women’s Enterprise Strategic Framework, developed by the Government Small Business Service & Prowess (2003) has been developed to provide a cohesive co-ordinate and long-term approach to the development of women’s enterprise in the UK. We have used working with Business Links across England as a key mechanism for this process.

References..

Allen, A & Trueman, C (1993): 'Prospects for women's business and self employment in the year 2000', in Allen and Trueman (Eds), '**Women in Business: Perspectives on Women Entrepreneurs.**' Routledge, London,

Baldock, R (2001). '**Researching business support needs of Women Entrepreneurs in Devon and Cornwall.**' Final report to PROSPER. Centre for Enterprise and Economic Development Research. Middlesex University Business School.

Bimrose, J. Green, A. Barnes, S & Orton, M. (2003.) '**Improving the participation of Women in the Labour market; Coventry and Warwickshire.** Warwick Institute for Employment Research.

Carter, S, Cannon, T et al, (1988). '**Female Entrepreneurship**', Sterling: Scottish Enterprise Foundation.

OECD, (2000), '**Global Entrepreneurship Monitor.**

Shaw, E, Carter, S & Brierton, J. (2001.) '**Unequal Entrepreneurs: Why female enterprise is an uphill business**'. The work foundation.

Small Business Service & Prowess (2003) '**The Draft Women's Enterprise Strategic Framework**'.

Women's Business Development Agency. (2002.) '**Preliminary and Final Action Research Reports to Devon & Cornwall Business Link.**' Internal reports.