

**NEW ENTERPRISE FRAMEWORK:
WOMEN'S ENTERPRISE: AN ECONOMIC ISSUE****PROGRESS**

- Female entrepreneurship is increasing, with the percentage of women who are thinking of starting a business rising by 1.7 percentage points since 2003 (a statistically significant increase).
- Now over one million self-employed women in the UK – a 17 percent increase since 2000.
- Encouraging signs that many more new entrepreneurs are women: 34% of the newly self-employed are women compared to 27% of those currently self-employed.

CHALLENGES

- Despite progress, women remain the largest under-represented group in the UK in terms of participation in enterprise, and the gap between female and male entrepreneurship rates remain stubbornly wide.
- Only 13% of the 4.5million UK enterprises are majority women-led and women only constitute 27% of the self-employed.
- If women started businesses at the same rate as men, there would be 150,000 extra start-ups each year in the UK.
- If we matched US levels of female entrepreneurship there would be 900,000 more businesses in the UK.
- Moreover, if we had the same level of female entrepreneurship as the US, the number of women-owned businesses would double.

The US has 20 per cent more businesses per head than the UK. A significant proportion of this gap is explained by much lower rates of women's entrepreneurial activity in the UK. This goes to the heart of the UK's productivity and competitiveness.

- Evidence shows women run less capitalised businesses and are more likely to rely on informal sources of finance to start-up, like credit cards which can be a more expensive form of finance.
- Many women also encounter particular barriers in accessing business support focused on their needs, supportive business networks and access to business mentors.
- Women are more likely to have a fear of failure than men, (39.2 percent) compared with (32.6 percent).
- Women are less likely than men to believe they have the confidence and skills to start a business.

The new package comprises:

Women's Investment Fund –

- The Government will invest £12.5 million in a co-investment fund, with the aim of securing a total of £25million of investment. The fund, providing equity, will focus primarily on investing in women-led businesses, and will
- provide increased networking support for women-led businesses to other sources of finance.

Assisting Women to Finance their Businesses -

- The Government, in partnership the British Bankers Association, a number of High Street banks, RDAs and their business support partners, will implement a programme of activities to assist women to understand the finance options available and how they can obtain them.

Women's Business Centre Pilots and Use of Children's Centres –

- The Government will work with the RDAs to pilot the principles of the US Women's Business Centre model. Women will receive advice and support through easy to access centres, in a supportive environment to build their confidence, skills and knowledge.
- The pilots will draw on the experience, advice and guidance of Julie Weeks (President and CEO, Womenable), who is one of the world's leading authorities on women's enterprise and key in the setting up of the network of US Women's Business Centres.
- Making enterprise information and advice available in a family- friendly environment through Children's Centres is also to be piloted.

More Mentoring Support -

- The Government will work with The Royal Bank of Scotland, Prowess, Everywoman and the British Chambers of Commerce to champion a national mentoring network for women in business. This work will include enabling women's enterprise ambassadors to become mentors to other women considering starting a business.

Women's Enterprise Centre of Expertise –

Building on the US experience, the Government will support the establishment of a National Centre of Expertise. Its aims are to assist in building the economic case for women's enterprise to:

- enhance policy development at regional and national levels;
- encourage financial services sector, private and corporate sectors in seeing women-led businesses as key suppliers of products and services.

Media Campaign –

- The Government will run a media campaign – “Spark an Idea” - co-ordinated by Enterprise Insight. The campaign will specifically look to develop the awareness and potential of women who are under-represented in enterprise currently.

WEConnect -

- The Government is supporting work being undertaken by WEConnect (private sector company) to ensure that women-owned businesses can access corporate and public sector procurement opportunities. Corporate members of WEConnect include Accenture, Cisco, Goldman Sachs, Microsoft, Merrill Lynch and Pfizer.