



WOMEN'S ENTERPRISE SCOTLAND

## Submission to the WBG Commission on a Gender-Equal Economy Second call for evidence: Transformative Policies and Practices

May 2019

### About your organisation

Women's Enterprise Scotland (WES) is a not-for-profit Community Interest Company based in Scotland. Women's Enterprise Scotland works to create an entrepreneurial environment where women's businesses can flourish and grow. To make the most of this opportunity for economic growth, and to improve the gender gap in Scottish entrepreneurial activity, Women's Enterprise Scotland works to create a new norm for women in business.

WES receives funding from Scottish Government to develop and manage the WES Ambassadors programme in Scotland and some small sponsorship from the private and public sector for specific programmes, for example, on women's leadership.

[www.wescotland.co.uk](http://www.wescotland.co.uk)

[www.wescotland.co.uk/ambassadors-role-models](http://www.wescotland.co.uk/ambassadors-role-models)

### 1. Which policies or practices, that you know of, have had a transformative impact on gender equality?

The **Scottish Framework and Action Plan for Women's Enterprise**<sup>1</sup> was the first Framework in the UK on women's enterprise. (The Welsh Government have now adopted a similar approach and WES worked with alongside colleagues in Wales to develop a framework launched earlier this year). The Scottish Framework was launched by the Scottish Government in 2014 with a refreshed document published in 2017. The framework is aligned to a Women in Enterprise action group chaired by a Scottish government minister.

The Framework has the potential to be transformative as the themes are based on evidence from research studies not only in Scotland but across the UK. Recent studies have also shown the economic contribution of women led enterprises<sup>2</sup> across the UK highlighting the importance of women's enterprises to local economies and job creation. Such evidence has the potential to shift stereotyped held views about women's businesses as being too small and / or insignificant to be of meaning to the economy.

<sup>1</sup> 'Women in Enterprise: framework and action plan'. Scottish Government (2017)

<https://www.gov.scot/publications/scottish-framework-action-plan-women-enterprise/>

<sup>2</sup> 'Supporting Women's Enterprise in the UK: The economic case' FSB (2018)

<https://www.fsb.org.uk/docs/default-source/fsb-org-uk/women-in-enterprise-report-v03.pdf?sfvrsn=0>

The framework seeks to impact a number of different policies and procedures not only at Scottish Government but within other key public sector areas. Areas such as – Data collection; Access to finance; Access to Gender Aware advice and growth support.

*“Demonstrating equality shouldn’t be something that gets in the way of doing business. It should simply be a natural state of affairs.*

*The actions of this framework have been designed to fundamentally shift business culture. They contain simple but effective steps that, as adopted, will make a real difference. By implementing them, we can encourage new generations of businesswomen in Scotland. And we can make significant progress towards achieving gender equality through social, political and economic change.”*

**Excerpt from Foreword by Nicola Sturgeon MSP, First Minister of Scotland in the Framework for Women’s Enterprise (2017)**

## **2. What happened as a result of the policy or practice?**

A recent inquiry conducted by the Economy Energy and Fair Work Committee<sup>3</sup> of the Scottish Parliament to which WES (and other business support and gender equality projects) gave both written and oral evidence, resulted in the committee recommending that the Scottish Government creates a National Head of Women in Business to coordinate national policy and work towards the establishment of a National Women’s Centre for Business.

Investment and collaboration are required to create a National Women’s Business Centre, which would be a vital component in –

- Helping women across Scotland to unlock their full business capability, access innovative technologies and build the businesses of the future.
- Bridge the gaps in mainstream gender-specific business support provision
- Facilitate the “Can Do” strategy of sustainable economic growth with opportunities for everyone.

The National Women’s Business Centre would provide a flagship of expertise from which to co-ordinate research, identify best practice, deliver business support, analyse data and build relationships across the business ecosystem at home and internationally.

As a result of looking at progress in the Scottish context on women in enterprise, the Welsh Government have now adopted a similar approach with the development of a framework and action plan. WES worked with alongside colleagues in Wales to develop this work launched earlier this year.

## **3. Was the policy or practice implemented at local, regional, national or international level?**

The Framework is a National (Scottish) policy document but has the potential to change local practices as a result of changes to local economic development areas and regions, including business support agencies.

As the Framework was the first in the UK, a similar approach has now been adopted in Wales and the Framework continues to have international interest through partner agencies, in particular in looking at access to finance for women led businesses.

<sup>3</sup> <https://digitalpublications.parliament.scot/Committees/Report/EEFW/2019/2/20/Business-Support-1#Executive-summary>

As a result of the Framework being shared with colleagues in Europe, WES was invited to lead the delivery of a European project (South East European Women’s Business Angel Network – SEEWBAN) This project supported women-owned businesses to gain greater access to finance through Business Angel investment. Seven nations including Greece, Cyprus, Italy, Hungary, Bulgaria, Slovenia and the UK (Scotland) united to deliver a programme of support. Each country was represented by a Women’s Business association and/or a business organisation including many international Chambers of Commerce and industry bodies.

The SEEWBAN programme has created training for women-owned businesses on taking on investment; created a development programme for women and men interested to learn more about investing in women-owned businesses.

WES is also a member of the T20 task force on gender economic empowerment and a contributor to T20 policy briefs.<sup>4</sup>

**4. Could the policy or practice be implemented in other contexts? If so, how? If not, why not?**

**Any additional comments?**

The Scottish Government’s first Gender Pay Gap Action Plan<sup>5</sup> was launched in March 2019. This action plan sits alongside the Women in Enterprise Framework, as many of the issues are linked across both policy areas – for example, a combination of factors may lead women to start their own businesses, from taking a career break after having a family to wanting more independence, flexibility and a better salary.

While the number of new female entrepreneurs in the UK is on the rise<sup>6</sup> it is not necessarily good news if you are a female entrepreneur, for example, the research also reveals that there are large disparities between different parts of the country when it comes to this “enterprise gap”. And overall, men are still nearly twice as likely to be entrepreneurs (10.4% of men versus 5.5% of women).

There’s also disparity in relation to pay, depending on industry sectors. For example, business services, banking or engineering. The reasons for the overall pay differential are various, for example, women’s businesses can often dominate in low-paid / undervalued sectors; women are still primary care givers; women are less likely to ask for more money for investment; and women are more likely to be discriminated against when seeking finance and / or growth support.

Research shows that women entrepreneurs may also opt to reinvest in their company rather than reward themselves.

We welcome submissions from communities and grassroots women’s groups and organisations, as well as from think tanks, trade unions, academics, civil society organisations, business, and the public sector at all levels. We are keen to gather examples from a variety of levels – local, regional, national, and international.

<sup>4</sup> A Gendered Perspective on Changing Demographics: Implications for Labour, Financial and Digital Equity <https://t20japan.org/policy-brief-gendered-perspective-changing-demographics/>

<sup>5</sup> ‘A Fairer Scotland for Women: The Pay Gap Action Plan’ Scottish Government (2019) <https://www.gov.scot/publications/fairer-scotland-women-gender-pay-gap-action-plan/pages/11/>

<sup>6</sup> <https://www.sage.com/en-gb/blog/gender-pay-gap-entrepreneurship/>

We welcome evidence in a range of formats. Written submissions should be no more than 3,000 words in total, and can be accompanied by supporting documents, web links or videos.

Our call for evidence is open until **31 May 2019**. Please send evidence to [marion.sharple@wbg.org.uk](mailto:marion.sharple@wbg.org.uk), or you can send hard copy evidence to:

Commission on a Gender Equal Economy  
Women's Budget Group  
C/o- The Studio  
First Floor  
3-5 Bleeding Heart Yard  
LONDON EC1N 8SJ

Please ensure you give us your name, organisation (if relevant) and contact details, indicating if you would like us to treat your evidence anonymously.

Anne Meikle, Policy Manager, Women's Enterprise Scotland

Contact [anne@wescotland.co.uk](mailto:anne@wescotland.co.uk)

Mobile: 07366 239 443

This evidence does not need to be treated anonymously.

Thank You.