

Entrepreneurial women needed to create growth and jobs

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When it comes to adopting an entrepreneurial spirit, it's the men who have the edge. Despite European women accounting for over half of the population, they only make up a third of the EU's entrepreneurs, which is why the European Commission is focusing on enterprise initiatives, specifically targeted at women.

Statistics show that women only account for 34.4 % of the self-employed in Europe, compared to 50.2 % of men, suggesting that women need more encouragement to become entrepreneurs. This was one of the main messages to come from the recent European SME Week Summit in Brussels, designed to focus on encouraging women to consider setting up and running their own business, usually a small and medium-sized enterprise (SME).

However, the reasons why many women do not take up the challenge of starting their own business are due to obstacles. A study by the European Commission identified three types. Firstly, contextual obstacles - these are defined as educational choices, traditional views and stereotypes about women, science and innovation. Secondly, there are economic obstacles - identified as the innovation sector, which requires substantial investment and women being seen as less credible financially than men. Thirdly, soft obstacles - which is the lack of access to technical scientific and business networks, lack of business training, [role models](#) and entrepreneurship skills.

Women therefore require tailor-made support measures when setting up their businesses, which is why the European Commission has set up the European Network of Female Entrepreneurship Ambassadors and created the European Network of Mentors for Women Entrepreneurs.

[European Commission](#) Vice-President Antonio Tajani, Commissioner for Industry and Entrepreneurship, said: 'It is clear that female creativity and entrepreneurial potential are one of the most underexploited sources of economic growth and [new jobs](#) that should be further developed in Europe. In a time of crisis we cannot afford to forgo this potential. Having more women entrepreneurs will economically empower women and contribute to growth.'

It seems that companies are also latching on to the investment potential

of entrepreneurial women. One such company is The Royal Bank of Scotland (RBS), which has just launched their Inspiring Women in Enterprise campaign to encourage a further 20,000 women to become entrepreneurs.

The GBP 1.5 million (equivalent to EUR 1.8 million), three-year strategy will provide grants of up to GBP 50,000 to organisations across the United Kingdom that encourage and support women into enterprise. The scheme is supported by research from Aston Business School, which has highlighted changes are needed to address the continually low female entrepreneurship rates in the United Kingdom.

Their research, using the Global Entrepreneurship Monitor (GEM) data and 'Women in Enterprise; a different perspective' report, discovered that since the early 1970s the rate of self-employment amongst women has consistently remained half that of men. In 2011, just over 10 % of men were in the early stages of setting up a business, compared with only 5 % of women. The research also indicates that while women make up 48 % of the working population, they make up only 26 % of the self-employed and just 17 % of business owners.

Professor Mark Hart from Aston Business School said; 'The report suggests that three main gender differences exist in entrepreneurship - start-up rates, the nature of the businesses run and future growth intentions. Women in the United Kingdom are about half as likely as their male counterparts to begin new firms and this is a common finding throughout most developed and developing economies. Once in business however there are few gender-related performance differences evident amongst the self-employed or small firm owners. Nevertheless, amongst those firms and SMEs, which do significantly grow and develop, women are under-represented.'

The report found that women are more likely to own firms which

operate from home, and on a part-time basis, which makes these businesses more likely to have limited growth trajectories.

It seems that promoting and including more diverse role models is essential to encourage more girls and young women, with higher education backgrounds, to consider self-employment as acceptable and achievable. This in turn will also ensure that [women](#)-owned firms are distributed more widely across Europe and across the general [business](#) population.

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