

## STARS FOR EQUALITY IN BUSINESS SUPPORT

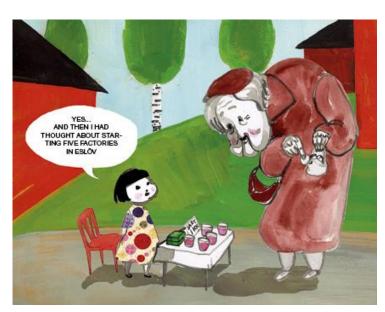
## RELEASING FEMALE POTENTIAL FOR ENTREPRENEURSHIP



Throughout Europe, women are underrepresented as entrepreneurs with female self-employment being only 12.4 % of total employment compared to 18.5 % for men. Sweden usually praised for its gender equality performance is no exception: business women represent 2.4% and men 6.7% of all those people who are active on the labour market. The <a href="Entree">Entree</a> Development

Partnership was initiated by the County Administrative Board of Östergötland to change this situation.

The project involved key institutions which are part of the business creation and SME support system in the region. Together these partners succeeded in improving the existing services so that women and men could get better and more needs-tailored help when starting or growing their businesses. Through a number of interlinked strategies, eight sub-projects contributed to this success. One of these projects raised the awareness of business advisors and financiers about the area of gender and supported them in incorporating this new knowledge into the every day work of their organisations. In addition, business advisors benefited from a whole range of gender related training programmes. These contained short "eye opener" introductions, communication skills, a series of seminars focusing on single issues and the peak competence training that lasted for several months. The latter was also intended to launch a network amongst business advisors so that they could support each other and, at the same time, introduce gender mainstreaming into their organisations.



Besides this structural approach, Entree offered a variety of support concepts to its ultimate Though target group. mentoring programme, project reached out to both female and male entrepreneurs, including those from ethnic minority communities. Women's leadership in business was at the of another programme aimed at providing leaders with ability to plan for development and growth. specific programme for potential women business creators provided on-going support from the business idea to start-up and bevond.

In order to be well equipped with gendered data, one of the sub-projects developed common work methods for the production of statistics and customer surveys within business support organisations and also in the county's labour board, employment offices, universities and entrepreneur centres. This enabled analyses and reflections concerning equality in entrepreneurship to be made across all of these organisations and thus, created added-value.

For the County of Östergötland, as coordinator of the EQUAL project, it was of paramount importance to create an attractive climate for new businesses in the region and a broad variety of entrepreneurial initiatives in as many economic sectors as possible. Bearing gender equality in mind, this part of the activities focused on the health care sector

Thanks to all these activities, Entree has changed the landscape of business support in Östergötland by integrating a gender and diversity dimension. New businesses have emerged, existing companies have grown and developed and now, there is significantly more inter-agency cooperation than before. Clearly, the county has moved a good deal closer towards its goal of becoming the most innovative and successful Swedish region in terms of stimulating and supporting entrepreneurship for both women and men.

## TRANSNATIONALITY BOOSTS NATIONAL PROGRESS

Jennie Högström is an information officer of the County Administrative Board and served in the same capacity within the EQUAL project. For two years, she was also its transnational coordinator and worked closely with partnerships from <u>Germany</u>, <u>Portugal</u> and <u>Wales</u> (UK). The members of this Transnational Partnership (TP) were so enthusiastic about what they gained from their cooperation that they decided to document their experiences in a special publication. This commitment resulted in a colourful magazine full of success stories, portraits of new entrepreneurs and policy statements from important key players. In her editorial, Jenny writes, "During this time I and many others have realised that despite all of the differences between our countries, we often grapple with the same problems. The most notable realisation has been how alike we are – even if we approach challenges differently."

Building on these similarities and differences, the members of the group shared their strategies for tackling challenges and for developing new ways of making entrepreneurship an opportunity for groups which are usually not counted among the "born entrepreneurs." EXZEPT, the German counterpart targeted disadvantaged women and men throughout the country, in particular those who were aiming to set up in business and were starting from a situation of unemployment. In Germany, these people represent more than half of all start-ups and the project catered successfully for this group by establishing one-stop-shops and start-up incubators. Oeste Empreendedor, the Portuguese partner, developed a territorial approach to promoting entrepreneurship in the Oeste area, where the labour market is dominated by "the economy of the sea." Thanks to EQUAL, four offices for "entrepreneur guidance" were opened and are now supporting business people. The target groups include students and trainees, but the majority of clients are individuals who are experiencing problems related to their access to the labour market or their risk of social exclusion. Cyfenter, the Welsh partner aimed to deliver tailored support to similar groups, but came at it from a different angle. This project ran a research programme whose outcomes are being used to influence and develop mainstream business support. The research focused on the specific needs of eight groups who were underrepresented in either growing or sustaining enterprises within Wales. These were women, lone parents, 18-30 year olds, over 50s, ethnic minorities, people with a disability, Welsh speakers and refugees.

Obviously the mix in the overall Transnational Partnership which was christened "Entrepreneurship E<sup>2"</sup> enabled a high degree of complementarity to be achieved and offered good prospects for mutual learning.

#### **FOLLOWING THE STAR**



Under the title "Efficient Europe", the joint magazine of the TP provided a real insight into the transnational learning itineraries and exchanges of good practice. In her editorial, Jennie Högström urged readers to "follow the star" and explained that articles labelled with a star lead from country to country and to all the different approaches to entrepreneurship that have been successfully implemented by the partners. Following her advice means that readers meet people who are "stars" themselves. These are the creators and implementers of innovative methods that

work and have proven their benefit for the target groups or even for a whole region. Last but not least, some of the entrepreneurs became stars thanks to their outstanding business ideas and performance.

Being exposed to entrepreneurial cultures in other countries often functioned as an "eye opener" that helped to clarify and reinforce ideas that might have been harboured for some time. This was the case for Marta Caetano, who works in Portugal as a teacher and consultant. "My stay in Sweden was a landmark in my professional life," she says and adds that "for two years I had been interested in developing creativity but it was only after going to Crearum in Linköping that I saw that my ideas were viable. I saw that it was possible to apply what I do in the classroom, as a teacher, in a wider societal context. Now, I intend to be an entrepreneur and start something related to the improvement of creativity - something that can develop the creative potential that all individuals have inside - children, young adults and older people in several areas – professional, personal and social."



For Marie Ahlqvist, the owner-manager of Q-vis Konsult in Sweden making contacts and networking with other entrepreneurs, particularly in Germany and in Wales, was a most valuable experience. "The exchange has been stimulating and has given me an opportunity to reflect on and come up with ideas around what can be improved here in Sweden to support the development of small and medium-sized businesses," she says.

Study visits and exchange of ideas and experiences with counterparts have also helped those whose task it is to support potential business creators. Simone König, for instance, who is a placement officer at MainArbeit Offenbach, the common support service for long-term unemployed created by the city of Offenbach and the National Employment Agency appreciates the benefits of transnational cooperation. "I daily advise people who need help in order to be integrated into the labour market or who need support on the way to self-employment," she explains, "and the visits to the employment offices in Sweden and Portugal were very interesting for my daily work. I could make out clear differences and also common features in the framework of job placement and support for start-ups. It was really important to make contact with placement officers. I want to use those contacts in the future. I can also imagine an intensive cooperation between employment offices in the different countries and sharing experiences with each other."

In Wales, things have even moved further since Cyfenter was a partnership that operated in both Rounds of EQUAL. "We have already learned a great deal from Cyfenter's transnational work and adopted actions from EQUAL Round 1 into our mainstreaming activity," reports Iain Willox, the <a href="Head of Capacity Building">Head of Capacity Building</a> for the Welsh Assembly Government, who is responsible for creating a environment in which new companies can be established and grow in Wales.

#### A LEARNING JOURNEY TOWARDS GENDER MAINSTREAMING

Given that gender equality was at the heart of the Swedish project and that gender mainstreaming is probably more developed in Sweden than in any other Member State, it was no surprise that the transnational seminar, which Entree organised, focused on these topics. Different political and economic players and experts presented the host country's gender equality approaches and the state-of-play concerning entrepreneurship, whilst the transnational partners also had a chance to contribute relevant information from their countries and from their projects. The following intensive and detailed mapping exercise resulted in identifying two thematic clusters: "opportunities/difficulties with actions for gender Equality" and "gender equality as a problem solver and creator of growth". The starting point of all discussions was the lack of gender balance and diversity in entrepreneurship, which can be observed throughout the EU. The percentage of companies led by women is significantly lower than those led by men, and when it comes to start-ups, men clearly outperform women. Men also make higher profits than women who usually create micro enterprises in typical female domains where prospects for profits are not exactly overwhelming.

Bringing about change, not only in terms of gender equality but also in realising all of Europe's entrepreneurial potential, initially requires an understanding of the causes of these gender gaps. Views amongst the partners were quite different and often puzzling. In the Portuguese support schemes, women and men were treated equally and the same methods have been used to provide support. However, more men tended to use those services, but more women eventually created businesses. According to the German partners, in their country, "gender equality is not a producer of growth. Women are shying away from risk taking and are frequently not interested in taking out loans to start a business or make it grow." Participants argued that women were disadvantaged because of their family obligations. Developing a business idea, writing a viable business plan and taking all the other steps to become an entrepreneur required time that, for many women, was a scarce commodity. The fact that they still took on the lion's share of caring for children or ageing parents, homemaking and other unpaid work put female business creators under an enormous pressure - a pressure that was experienced much less by their male counterparts. Countries like Germany, where the provision of childcare or care for the elderly left much to be desired, were a much more difficult environment for women entrepreneurs than, for instance, Sweden, where care services were always available.

To come up with the most promising and viable practices to increase the number of female startups and to strengthen women-led companies, the transnational partners sought to concentrate on four major avenues to success:

- Policy making;
- Directly allocated public funding;
- Education; and
- Gender mainstreaming.

Together they explored the pros and cons of these strategies and then ranked their findings, based on a comparison of expected and generated benefits. The participants agreed that all four approaches were needed, but that education appeared to top the list. Advocates of education as an action priority argued that including entrepreneurship as a school subject from an early age would make young people aware that running a business was as important an option for their career, as being an employee. This group also believed that raising awareness about traditional



gender roles and how these could be changed would strengthen women's access to entrepreneurship.

Gender mainstreaming turned out to be choice number two and was considered as an important tool for securing gender equality in the business world. Members of the Swedish project team and gender equality experts explained how this approach could be used to tackle almost any obstacle that stood in the way of both female and male entrepreneurs. Gender Mainstreaming started with a thorough analysis of how women and men benefit from all the measures that were available to promote entrepreneurship. Often this analysis revealed gender gaps in terms of providing needs tailored support for women and access to finance, since the existing help desks and schemes were most often geared to the life situations and interests of men. Having been sensitised to this situation, decision-makers and people in charge of relevant services were becoming more open to reprogramming the existing provision and to integrating the gender dimension. It was also important to consider that the impact of new support measures might be different on women and men, even if they belonged to the same type of target or age group. For instance, due to family obligations women might find it difficult to follow training schedules or comply with deadlines which were quite acceptable to men. In many cases, positive actions for women have been developed as a solution that took account of their special interests and needs. According to the experience of the Entrepreneurship E<sup>2</sup> partners, this was sometimes a trade off, as "women-only programmes" were often regarded as having a lower status and this might influence the views of advisors and bankers on the business ideas and plans presented by female entrepreneurs. The Entree project has meanwhile published a manual that is aimed to

helps all those involved in business support apply gender mainstreaming. (The book can be downloaded in Swedish and English from the Entree website)

So called "cross-country reflections" were then undertaken, which meant that representatives from all participating Member States summed up what they learned from each other during the event. They checked the suitability of new approaches to their own contexts and formulated recommendations which they agreed to use and disseminate at home. For example:

- The support provided should empower the individual and not just categories of people such as women or minorities;
- Early awareness raising and education about entrepreneurship as an option in life are paramount. They should include the use of role models and be followed-up in the framework of continuing education and life-long learning;
- Equality legislation and policy making are not enough. Strategies to change attitudes and eliminate prejudices must be part of both the shaping of future entrepreneurs and the creation of a supportive environment;
- The training of business advisors should ensure that these specialists become aware of specific needs and problems of both women and men in different target groups such as immigrants, ethnic minorities, young people, older people or unemployed people;
- In terms of gender equality, advisors must be knowledgeable about gender mainstreaming and must also take account of the fact that women tend to avoid taking risks and loans to create rather small businesses and that they constantly have to strive to reconcile family and professional life;
- Not all businesses need to produce more and more growth. Securing an income and a satisfying quality of life for their owners is a sustainable, but different, form of growth that should be valued and recognised.



At the transnational event, Joakim Kärnborg, Director of Industrial Development at East Sweden Development Council (Östsam), presented himself as being a strong advocate of gender mainstreaming. He explained that Östsam which aims to achieve sustainable economic, social and cultural development in Östergötland, works with two different concepts of growth. "In the business sector growth is attained when more money is earned," he pointed out and that "seen from a public sector perspective the idea of growth is more complex. Here the number of new enterprises, the employment rates, the sum of the salaries or the number of inhabitants can define growth. From Östsam's point of view, a sustainable development is more important than immediate economic growth." Joakim is convinced that this kind of regional development requires a gender dimension and referring to the fact that 57% of working women are employed in the public sector

compared to only 17% of men, he said, "the biggest threat for further growth in East Sweden is gender divided employment." He highlighted the fact that women and men also work in different economic sectors and occupations. Today thinking about growth sectors brings financial institutions, military aircraft or software systems to mind. However, the service sector where women are overrepresented is also growing rapidly and he stated that "this should pave the way for female entrepreneurs, if only the support and advisory system will continue to develop and improve from a gender perspective." He also praised projects like Entree and the Entrepreneurship E<sup>2</sup> Transnational Partnership that were leading the way in facing these changes.

Jo Muscat, the external evaluator of the Cyfenter project in Wales, agreed with Joakim's views and underlined that these challenges also have a European dimension. "To create the new and united Europe, we must understand each other's problems and issues and find common ways to solve them," she said. He thought that "without the transnational perspective, we can easily be isolated within our own surroundings and invent the wheel over and over again." Jo would like to see "more detailed documentation of the transnational projects that have run and are running in Europe, so that the knowledge does not stop at the partnerships. European practitioners have learned valuable lessons from years of practice – we should start a mechanism for sharing them."

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