

POLICY BRIEF: BUSINESS SUPPORT

Executive Summary

One of the primary challenges faced by women entrepreneurs in Scotland is a misalignment in available business support. As revealed in the WES Survey of Women in Enterprise¹, while most survey participants lauded existing support platforms, comments on the lack of inclusivity and awareness regarding gender differences shone through. Respondents noted business advisers lacked awareness of the specific challenges faced by women with detrimental consequences for women-led businesses in the country.

The report found that 35% of respondents had not spoken with a business adviser and 82% believed that support services should be more aware of gender differences and their impacts. For example, women-led businesses were found to have a significantly lower sustainability rate beyond the five-year mark, with only 12% remaining operational after twenty years compared to 38% for male-led businesses. Providing the choice of support specifically designed for women could improve business sustainability rates and add billions of pounds to the Scottish economy every year.

Dedicated business support for women is especially important following the cost-of-business crisis and the aftermath of the COVID-19 pandemic which disproportionately disadvantaged women². Latest data shows an accelerated decline in the numbers of UK women-led employer businesses and data for Scotland is awaited³.

This policy brief focuses on the provision of business advice services and non-financial resources. Eight policy recommendations are proposed to address the challenges faced by women starting and scaling businesses and unlock the multi-billion-pound economic opportunity represented by Scotland's women-led businesses.

- Train advisers in the provision of gender-aware support.
- Monitor and measure the delivery of gender-aware support by trained advisors and adjust the training annually as required.
- Implement more personalised business support which gives women the choice of women-specific business advice and support programs.
- Analyse current support offerings and more closely align activity to the needs of women-led businesses.
- Provide business advisers with lived experience of business start-up and growth.
- Use communication channels which reach a wide range of women entrepreneurs and develop gender-aware communications which engage women.
- Promote the availability of face-to-face training for women entrepreneurs.
- Train mentors in the provision of gender-aware mentoring.

¹Survey of Women in Enterprise 2023, Women's Enterprise Scotland (2024)

²Gender Differences in Access to Coronavirus Government Support, Women's Budget Group (2021)

³Small Business Survey: SME Employers 2023, UK Government (2024)

Introduction

In Scotland, women-led businesses can face gender inequalities and disparities which are not always recognised when engaging with generalised business support services. Without a focus on inclusivity and an awareness of these barriers, it leaves women underserved and limits the success of their businesses. Our research indicates that increasing the percentage of women-led businesses by just 10% would add billions of pounds to the economy each year⁴, highlighting the potential impact of providing dedicated business support which sits alongside and complements that which is already available.

Improving business support for women is crucial to unlocking the potential of women-led businesses, especially following the cost-of-business crisis and the aftermath of the COVID-19 pandemic. Both crises have created a challenging economic environment that disproportionately affects women entrepreneurs⁵.

“Rising costs are wiping out any gains we would have made”

Women-led businesses face significant challenges in accessing capital and often have less financial resilience to weather economic shocks. As costs rise, securing necessary funding and support becomes even more critical, yet the recent Invest in Women Taskforce Report found only 1.8% of private equity investment was received by women-led companies in the first half of this year⁶. The recently released UK Small Business Survey⁷ revealed an accelerated decline in the percentage of women-led employer businesses, down to 15% from a figure of 18% in 2022 and 19% in 2021. Against this background, optimising non-financial business support services is vital to stop the decline in women-led businesses and achieve our national economic ambitions.

This policy brief focuses on the provision of business advice services and non-financial resources. Eight policy recommendations are presented by Women's Enterprise Scotland (WES) designed to drive positive and transformative change for women-led businesses and our economy in Scotland.

Business Support

Business Support encompasses a large range of services that play a vital role in fostering a healthy business environment that facilitates economic growth. It involves providing the tools, resources, and guidance businesses need to overcome obstacles and achieve success. It encourages innovation, enhances competitiveness, and keeps businesses informed about industry trends and technological advancements. Ultimately, business support contributes to economic development by fostering entrepreneurship, creating jobs, and stimulating local economies.

⁴Survey of Women in Enterprise 2023, Women's Enterprise Scotland (2024)

⁵Survey of Women in Enterprise 2023, Women's Enterprise Scotland (2024)

⁶<https://www.cityam.com/reeves-backs-invest-in-women-taskforce-as-female-funding-numbers-drop/>

⁷Small Business Survey: SME Employers 2023, UK Government (2024)

Key Findings

The WES Survey of Women in Enterprise⁸ reveals that a key challenge for women entrepreneurs in Scotland is a misalignment in business support which may have been heightened by recent economic conditions. While many respondents appreciated existing support services, a majority highlighted a need for gender-aware training, and for advisors with practical experience of business ownership. When seeking growth support, many women reported a gap between the nature of growth support they anticipated receiving and the actual support received.

Just over one third of survey respondents were not in touch with a business advisor and a majority identified dedicated business support for women as the primary prerequisite to enable them to achieve their business aspirations.

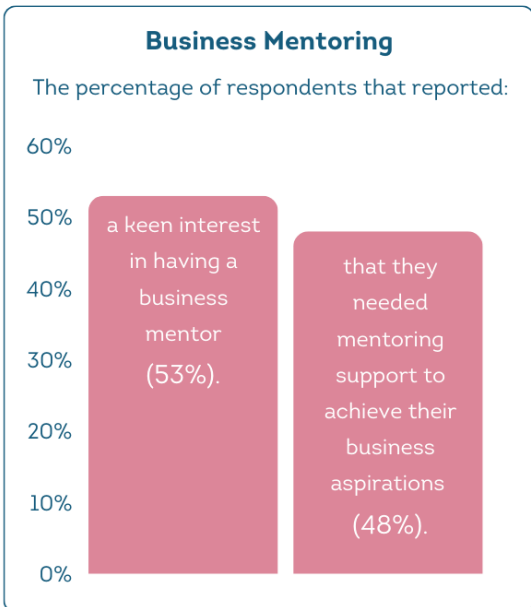
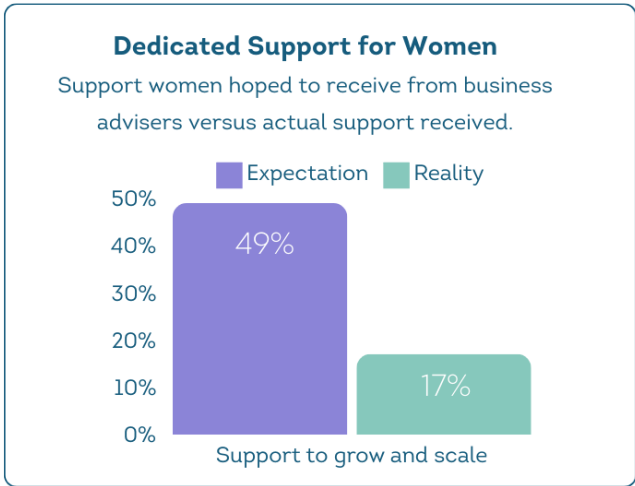
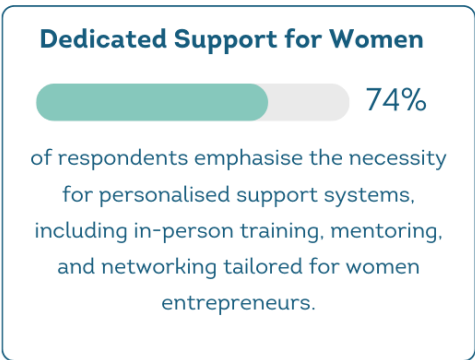
"I wish it (dedicated business support for women) wasn't necessary but unfortunately it is."

"(Start-up) services were superb, but there doesn't seem to be the same support since the pandemic"

"I had meetings with business advisors from Business Gateway. Not all of them had the knowledge of what running a business actually is. It was more like trained people on a script with no personal experience or studies on business."

⁸Survey of Women in Enterprise 2023, Women's Enterprise Scotland (2024)

The WES 'Survey of Women in Enterprise 2023 Report', found:



Conclusion and Recommendations

These statistics from the Survey of Women in Enterprise⁹ underscore the need for more lived experience and gender-aware support in business advisory services. Addressing these needs can enable the provision of more effective and equitable support for entrepreneurs, with positive uplift for individual women-led businesses and the wider economy. WES proposes eight policy recommendations to enhance business support, unlock the potential economic contributions of women-led businesses and add billions of pounds to the Scottish economy.

Expertise and Inclusivity

Advisers with personal business experience can be regarded as providing credible and practical advice, enhancing the relevance and effectiveness of support services and increasing entrepreneurs' trust. In addition, to improve outcomes for women-led businesses, support services must be more aware of gender differences, addressing the specific challenges and biases women continue to say they face when starting and scaling businesses.

WES recommends:

- Training advisers in the provision of gender-aware support.
- Monitoring and measuring the delivery of gender-aware support by trained advisers and adjusting the training annually as required.
- Providing business advisers with lived experience of business start-up and growth.

Dedicated Support for Women

The findings highlight a marked opportunity to enhance support for women-led businesses by implementing dedicated support, tailored to the specific needs of women entrepreneurs. The provision of dedicated, needs-based support can lead to greater economic impact and promote gender equality in entrepreneurship. Tailored support can provide women entrepreneurs with individualised guidance that address their specific challenges and business contexts.

Policymakers should develop initiatives and funding models to support dedicated and in-person business services for women entrepreneurs. Similarly, organisations providing business support should allocate resources to develop and implement these tailored programs, ensuring they are accessible and well-funded.

WES recommends:

- Implementing more needs-based business support which gives women the choice to access women-specific business advice and support programs.

Access and Engagement

Improving access to business advisory services and optimising the quality of such services is crucial for supporting women entrepreneurs. The research highlights many respondents have not spoken to a business advisor and indicates challenges including a lack of awareness, locational constraints, or perceived irrelevance of the support offered. Without guidance, entrepreneurs miss out on valuable insights and strategies for overcoming challenges and growing their businesses.

The disconnect between expected and actual support underscores the need for better communication between support services and women-led businesses. Providers must clearly articulate available services and ensure women are aware of how to access them effectively. Support organisations should re-evaluate their offerings to optimise alignment with the specific needs and expectations of women-led businesses.

⁹Survey of Women in Enterprise 2023, Women's Enterprise Scotland (2024)

Addressing why many women-led businesses are not speaking with business advisors could increase the uptake of advisory services. Simplifying access, raising awareness, and ensuring relevance can build trust, encourage more frequent engagement and trigger increased economic contributions from women-led businesses.

WES recommends:

- Using communication channels which reach a wide range of women entrepreneurs and develop gender-aware communications which engage women.
- Promoting the availability of face-to-face training for women entrepreneurs.
- Analysing current support offerings and more closely aligning activity to the needs of women-led businesses.

Business Mentoring

With a continued awareness among many women entrepreneurs about the potential benefits that mentorship can bring to their businesses¹⁰, it is crucial that if women do choose to seek mentorship, the specific challenges they can face are considered and addressed when guidance is provided. Not only do women entrepreneurs share similar barriers that will be felt across the board, but many will also have their own individual challenges. Having a wider diversity of mentors that women can access, will contribute to the positive outcomes that many women who have accessed mentorship, report. These positive outcomes include inspiration, motivation and building a business model, all of which are key to helping women achieve their business aspirations.

WES recommends:

- Training mentors in the provision of gender-aware mentoring.

For further information visit [Women's Enterprise Scotland - Research](#)

¹⁰Survey of Women in Enterprise 2023, Women's Enterprise Scotland (2024)