



# Survey of Women-Owned Businesses in Scotland 2012

Women's Enterprise  
Scotland Ltd &  
The Hunter Centre for  
Entrepreneurship,  
Strathclyde University.  
Supported by RBS and  
Business Gateway

## Executive Summary



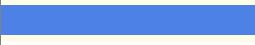







Detailed research on women-owned businesses in Scotland has not been undertaken since 2005. Given the current climate, small and medium-sized businesses are essential to economic recovery, and female-led enterprises will play a key role. This short survey was designed to give a snapshot of the current position and growth potential of these enterprises. It is a precursor to a larger, longitudinal Index of women-owned businesses in Scotland which will provide a consistent mapping of the progress and economic impact of our female entrepreneurs.

Key findings from the survey are as follows:

- A clear majority (87%) of women owned businesses aim to grow over the next 2 years with more than one in four (27%) aiming to grow rapidly.
- Business Gateway(BG) was the most accessed source of business support with 66% of those responding having used their services. And 66% of women who had accessed BG found the services helpful.
- Comments provided suggest that support beyond start-up and early stage business is lacking, and with a large percentage of the businesses seeking growth, this is where the greatest need lies.
- In terms of client recommendation, mainstream publicly-funded support was rated below that of private sector advisers (accountants and solicitors), with 64% of BG clients willing to recommend the service to others. This compared with PSYBT (now known as Youth Business Scotland) where 100% of the women who had accessed support recommended its services.
- Professional advisers were found to be valuable with 93% of respondents willing to recommend the services of their accountants and 88% their solicitors.
- The banks achieved the poorest ratings with only 50% finding their bank helpful and 42% recommending them.
- There has been a reliance on personal savings, credit cards and overdrafts for funding over the past 12 months. Of those who had used finance, 47% used personal savings, 23% credit cards and 20% overdraft facilities. Around 18% accessed funds through friends and family. Between 33 – 39% found accessing bank loans and overdrafts difficult.
- Feedback on public funding was mixed with 53% finding it easy but 39% finding it somewhat or very difficult.
- One of the newest forms of business finance, crowd funding, was accessed by a small number of respondents (2%).
- Access to finance was, unsurprisingly, the most frequently mentioned ‘need’ in relation to business growth, followed by growth support and access to networks and contacts.
- 8% of respondents mentioned childcare as an issue.
- 34% of respondents had accessed support from a business mentor – with 86% of these finding the mentoring helpful.
- In answer to a question on what more could be done to help women business-owners in Scotland, access to growth support (including quality advice and training), access to networks and mentoring were repeatedly mentioned.

## 1. Access to business support

- Business Gateway were the most used source of business help with two thirds of respondents (66%) having accessed support. Just over half (52%) were supported through face to face contact and one in five (19%) accessed support primarily through the website.
- Friends and family were also a major source of support with 59% of respondents turning to them for help, closely followed by 54% using their accountant for business support.
- In terms of how help was accessed, support from friends and family was primarily face to face (66%); a higher percentage than any other source. The closest level of face to face contact came from PSYBT with 54% of women who accessed their support, primarily doing so face to face. Lowest on face to face contact were Councils with just over a third of support (38%) delivered face to face and the highest level of email based support at 28%.
- Business Gateway gave the highest level of web based support at 19%, followed by Scottish Enterprise at 13%, suggesting that information accessed via their respective web sites is the primary source of support being accessed by a significant level of women owned businesses.
- Other sources of support mentioned were Chambers of Commerce, Association of Scottish Business Women, Cultural Enterprise Office, GrowBiz, First Port, HIE, SIE and WES.

#	Answer		%
1	Business Gateway		66%
2	Scottish Enterprise		24%
3	Accountant		54%
4	Solicitor		32%
5	Bank		45%
6	Friends and family		59%
7	Princes Scottish Youth Business Trust (PSYBT)		5%
8	Local Authorities/ Councils		20%
9	Other (please specify)		20%
10	I have NOT accessed any business support services		9%

## 2. Helpfulness of support

- Friends and family were rated the most helpful source of ‘private’ support with 92% finding them at least ‘somewhat helpful’, closely followed by their accountant at 90% and their solicitor at 85%. Only 50% of women accessing bank support found it helpful.
- In terms of the mainstream sources of publicly funded support, PSYBT were rated the most helpful with 87% of women who accessed them finding them helpful, nearly all ‘very helpful’. Closest to this were Scottish Enterprise with 74% and then Councils with 71% finding them helpful. 66% of women responding found Business Gateway helpful.
- In terms of being rated somewhat or very unhelpful, this was the perception of 21% of women accessing Business Gateway, 12% accessing both Councils and Banks and 9% accessing Scottish Enterprise.
- No women responding found PSYBT, their accountant or their solicitor unhelpful.
- 84% of respondents who accessed ‘other’ support sources found them helpful and 4% unhelpful.

#	Question	Very Helpful	Somewhat Helpful	Neutral	Somewhat Unhelpful	Very Unhelpful
1	Business Gateway	25%	41%	13%	11%	10%
2	Scottish Enterprise	35%	39%	16%	3%	6%
3	Accountant	59%	31%	10%	0%	0%
4	Solicitor	50%	35%	15%	0%	0%
5	Bank	21%	29%	38%	5%	7%
6	Friends and Family	60%	32%	7%	1%	0%
7	PSYBT	75%	13%	13%	0%	0%
8	Local Authorities/ Council	29%	42%	17%	8%	4%
9	Other	67%	17%	13%	0%	4%

### 3. Recommended services

- 100% of women who'd accessed PSYBT support would recommend it. In terms of comparison to other mainstream funded support, this compares to 79% with Councils, 75% Scottish Enterprise and 64% Business Gateway.
- On private sources of support, accountants were most recommended at 93% closely followed by friends and family at 89% and solicitors at 88%.
- Only 42% of women responding recommended their bank for support.
- In terms of those who were either unsure or who would not recommend, banks fared the worst at 58% followed by Business Gateway at 36% and Scottish Enterprise at 25%.
- Repeated themes from comments made on services accessed were:

- **Business Gateway:** generally found to be very helpful at start up and the free training workshops were rated positively by all who commented with several highlighting the women's networking events and workshops as very helpful. Key issues commented on were the lack of help beyond start-up and early stages and advice being too generic to be useful for specific development needs. Several comments related to the variance in quality of support between different regions with comments ranging from 'always ready with advice and support whenever needed' to 'one to one sessions were lukewarm and difficult to get a named advisor and have continuity'.
- **Scottish Enterprise:** comments from women who were accessing account management resource and specialist support were very positive how this was helping their business. Other comments were that Scottish Enterprise was 'too corporate' and that it was 'difficult to navigate' your way to the service you need and that they are 'too restricted in what they can do as government department.'
- **Accountants & Solicitors:** Comments on both were almost all positive with accountants in particular highlighted as providing an 'invaluable' service. It was commented that understanding your own accounts and doing some of the work yourself helped with costs. Likewise, there were comments relating to the expense of legal advice with some feeling they had better value when they changed solicitors but again many comments about good service from solicitors with specific reference to invaluable IP and property related support.
- **Banks:** A few women commented on helpful support from their bank and personal contact with a manager was consistent to all of those who felt positive. There were detailed comments from those who had negative experiences with their bank, mostly feeling that their bank was disinterested in them or had treated them badly. One comment, reflected by others was 'hugely disappointing, especially from a bank which is supposed to have an interest in women in business'.

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- **Friends and Family:** Almost all comments regarding support from friends and family related to the importance of emotional support and having people believe in you. Some women referred to the lack of business experience of those around them but it was the emotional support they valued where others clearly had access to friends and family who had a lot of business experience which they found ‘invaluable’.
- **PSYBT:** All comments were positive with the ‘going the extra mile’ attitude of advisors highlighted and one comment about PSYBT being ‘fantastically supportive and motivating’ echoed by others.
- **Council/Local Authority:** There weren’t too many comments made about Councils but a couple of women had found their local support to be very good with one lady saying her experience had been ‘superb’. There were slightly more responses from those who had very negative experiences; described as ‘terrible’ with one woman saying she had experienced an ‘aggressive’ response from her Council.
- **Other:** A few comments were made about other sources of help with **GrowBiz** being highlighted as ‘particularly helpful, friendly and sensitive’, the **Chamber of Commerce** providing useful help and networking and **HIE** helpful on start-up funding.

#### 4. Sources of business finance accessed during the last 12 months:

- Just under one third (29%) of women responding had not sought any finance during the past 12 months.
- Of those who had used finance, personal savings was the most common source of funding accessed with almost half (47%) using their own personal resources to finance their business.
- Credit card debt was used by almost one in four (23%) of women responding.
- One of five women (20%) had accessed a bank overdraft facility and 7% a bank loan.
- 18% of women accessed funds through friends and family.
- 10% of women responding had sourced funding via public funds and 2% via crowd funding.
- Equity based finance was barely accessed at all with 1% accessing venture capital and no woman responding having accessed angel investment.
- Home equity release activity was also very low at 2%.

#	Answer		%
1	Bank loan		7%
2	Bank overdraft		20%
3	Personal loan		3%
4	Personal savings		47%
5	Friends and family		18%
6	Credit card debit		23%

7	Releasing home equity		2%
8	Angel investment		0%
9	Venture capital		1%
10	Public funds (e.g. Scottish Enterprise...)		10%
11	Crowd Funding		2%
12	Supplier Credit		5%
13	Other business/employment		2%
14	Other (please specify)		6%
15	I have NOT sought financial support		29%

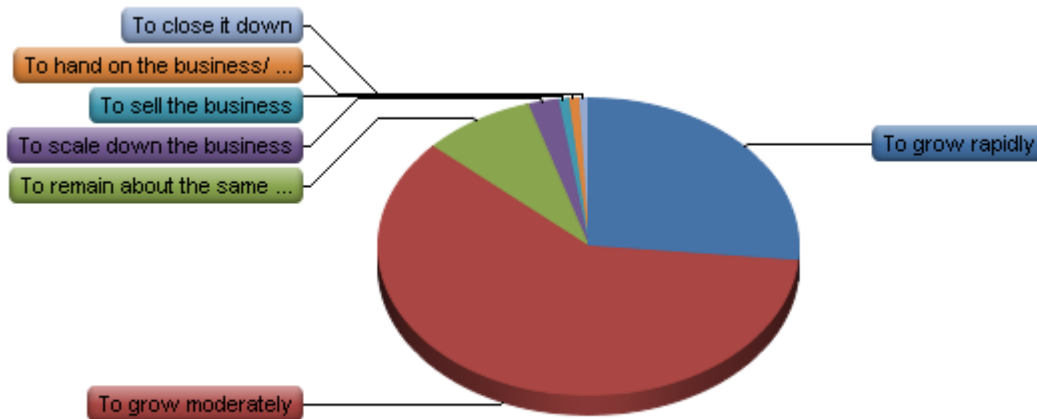
## 5. Accessibility of finance source:

- Feedback on public funding was mixed with 53% finding it easy but 39% finding it somewhat or very difficult.
- It was a similar picture around bank funding, with 44% finding bank loans and 39% finding bank overdrafts easy to access but 33% and 39% respectively finding them difficult or very difficult to obtain.
- Supplier credit was also accessed by a small number of women who found this was somewhat easy or who were neutral about ease of access.

#	Question	Very Easy	Somewhat Easy	Neutral	Somewhat Difficult	Very Difficult
1	Bank loan	0%	44%	22%	22%	11%
2	Bank Overdraft	8%	31%	23%	31%	8%
3	Personal loan	0%	75%	25%	0%	0%
4	Angel investment	0%	0%	0%	0%	0%
5	Venture capital	0%	0%	0%	0%	100%
6	Public funds (e.g. Scottish Enterprise...)	15%	38%	8%	31%	8%
7	Crowd Funding	0%	0%	0%	0%	0%
8	Supplier credit	0%	50%	50%	0%	0%

## 6. Business aspirations for next two years:

- Most encouragingly, 87% of women responding wish to grow their business over the next two years with more than a quarter (27%) aiming to grow rapidly.
- 9% aim to stay about the same size and 2% aim to either sell or pass on their business.
- Only 3% of women responding thought they needed to scale down or close their business over the next two years, a surprisingly low percentage in the current economic climate.



#	Answer	%
1	To grow rapidly	27%
2	To grow moderately	60%
3	To remain about the same size	9%
4	To scale down the business	2%
5	To sell the business	1%
6	To hand on the business/ succession	1%
7	To close it down	1%
	Total	100%



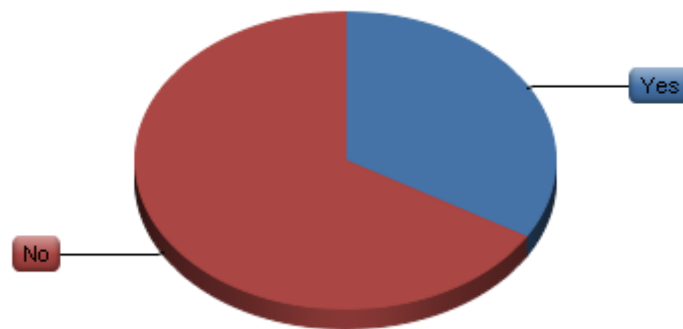
## 7. What do you need to help you grow your business?

Responses to this question were wide and varied but the key themes which were repeatedly mentioned can be broadly described as follows:

Theme	% of Responses
Access to finance	29%
Growth support- specific help with access to markets, marketing & finance	15%
Access to networks and contacts	15%
Childcare	8%
Mentoring	7%
More time (juggling family & domestic responsibilities etc)	7%
Sourcing and keeping good staff	5%
Economic upturn	5%
Tax incentives	3%

## 8. Business Mentoring:

- One in three women (34%) had accessed support from a business mentor to help them develop their business.
- 86% had found the mentoring helpful and 7% unhelpful. Comments made relating to what help women are seeking to grow their business would suggest that sensible 'matching' with a mentor and the relevant skills of the mentor are what makes the experience valuable.



#	Answer		%
1	Yes	<div style="width: 34%;"></div>	34%
2	No	<div style="width: 66%;"></div>	66%
	Total		100%

#	Answer		%
1	Very helpful	<div style="width: 60%;"></div>	60%
2	Somewhat helpful	<div style="width: 26%;"></div>	26%
3	Neutral	<div style="width: 7%;"></div>	7%
4	Somewhat unhelpful	<div style="width: 5%;"></div>	5%
5	Very unhelpful	<div style="width: 2%;"></div>	2%
	Total		100%

## 9. What more could be done to help women in Scotland who are running their own businesses?

As with the questions about what would help each woman grow her business, the responses to this question were wide and varied but the key themes which were repeatedly mentioned can be broadly described as follows:

Theme	% of Responses
Access to growth support, quality advice & training	21%
Access to networks (routes to market) and networking	21%
Mentoring	16%
Access to finance and better banking support	12%
Recognition of/higher value placed on the importance of women entrepreneurs to the economy	10%
Accessible, quality childcare	7%
Being treated equally	6%
Tax reliefs	3%

In terms of comments made which help to build some depth of understanding, there was a sense of frustration and missed opportunity amongst a significant proportion of respondents with many feeling that they or women business owners in Scotland in general are being under-valued:

- 'Acceptance of what a huge contribution to the Economy we (women owned businesses) are making. Support, publicity and an understanding that micro businesses are the way forward for recovery in the UK'.
- 'Promote and advertise more successful women-run businesses that will serve as an example and inspiration for all the rest. Maybe it would also help that the number of non-patronising events for women were increased or that there were more female networking groups.'
- 'Motivate women and build their confidence to move forward with business. Scotland has a very self deprecating attitude especially towards female entrepreneurs in my experience and this certainly needs to change.'
- 'Business support for a business that wants to grow and increase number of employees. Main support is for high growth companies. Women's businesses tend to grow slower.'
- 'Banks and other professional services taking women seriously when they set up in business. Whilst many women start small perhaps to fit in with family commitments, it doesn't mean they are not serious about the business and the possibility of growing it slowly over time'.
- 'Positive flexible support. Real facts about women-owned businesses to counteract the labeling of such businesses as 'lifestyle' or 'hobby' ... support which is more than just lip service.'
- 'Recognition that one-woman businesses providing services are worthy of support.'
- 'I think it is even recognizing that a woman can actually own a business! I have been at loggerheads with my bank over this. My husband is down as one of the directors of my limited company and the bank just assumed that it was his business. He's not even involved in the business.'
- 'I'd like more female role models who aren't hard-nosed.'

In terms of comments around access to growth support, training, mentoring and networking a small number of women felt there was no need to do anything specific for women but the large majority of comments advocated positive action:

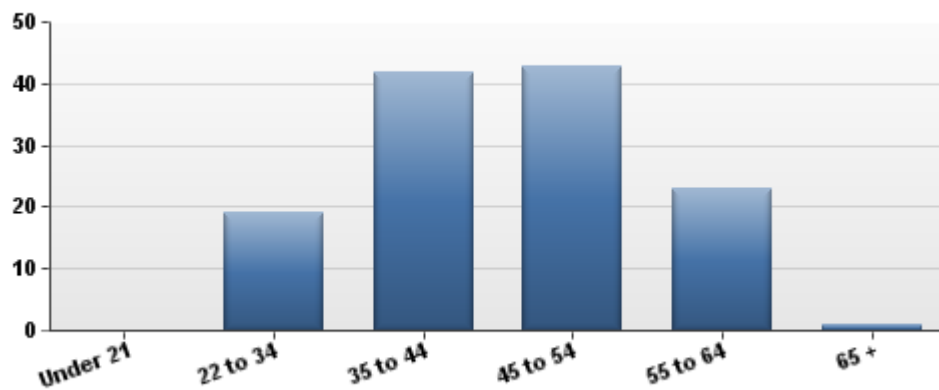
- 'I have been really lucky, that I fell into a female leadership programme that has helped me and my business. Programmes like this or some type or support like this I feel would really help get women into business.'
- 'Perhaps through Business Gateway new businesses could access other experienced business women to gain advice and support as they start out in business.'
- 'Better access to networks like the Institute of Directors... and mentoring specifically aimed at women.'

- ‘More focus on the needs of business women who are often juggling family and running a house as well as a business.’
- ‘A little positive discrimination wouldn't go amiss! I understand in the US that 'all-women' businesses receive additional assistance / opportunities.’

Other key themes in comments related to flexibility and accessibility of support services and networking. There were also many comments around the need for greater provision and accessibility of childcare, with several women highlighting that tax relief around essential childcare costs for small business owners would be a significant help.

## 10. Profile of respondents:

- The majority of women responding to the survey were aged between 35 and 54 (67%).
- 15% were aged 22 – 34 and 18% were aged 55-64. Only 1 respondent was over 65.



#	Answer		%
1	Under 21		0%
2	22 to 34	<div style="width: 15%;"></div>	15%
3	35 to 44	<div style="width: 33%;"></div>	33%
4	45 to 54	<div style="width: 34%;"></div>	34%
5	55 to 64	<div style="width: 18%;"></div>	18%
6	65 +	<div style="width: 1%;"></div>	1%
	Total		100%

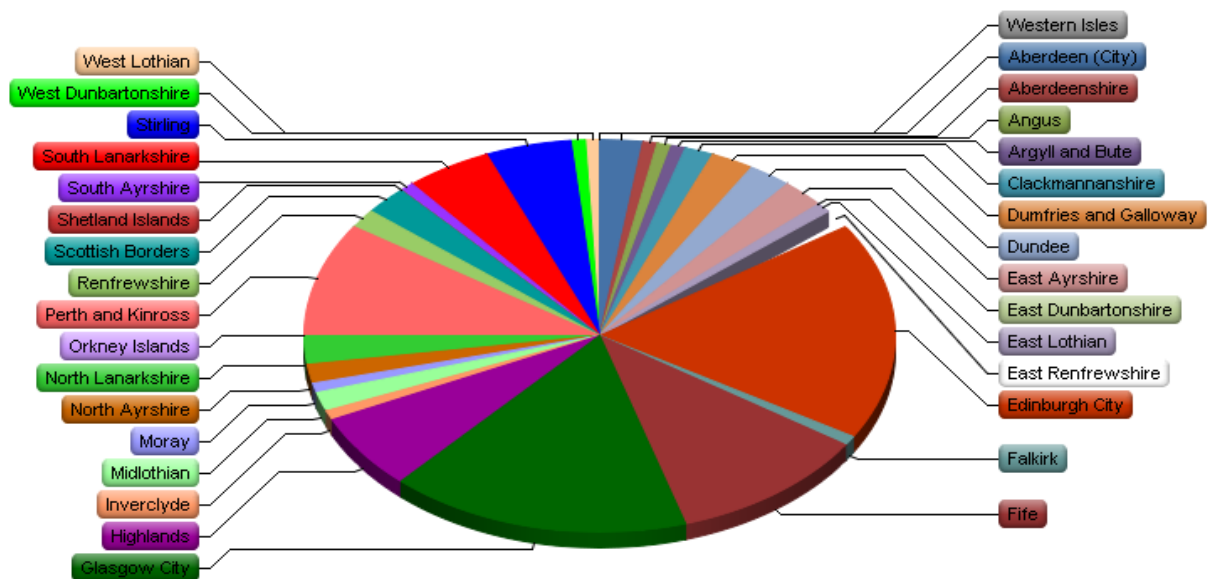
## 11. Employee numbers:

In terms of the employee numbers of the women owned businesses who responded to this survey:




























- The average number of employees per business was just over 10 (including all employees – part time, full-time and seasonal).
- The range of employee numbers was from 1 (the owner herself) to 553.
- 3% employed 50+ people.
- 10% of employed between 10 and 49 people.
- 45% employed 2-9 people.
- 42% employed the business owner solely.

## 12. Business location:

- 18% of businesses responding came from Edinburgh, 16% from Glasgow and 11% from Fife.
- There were responses from nearly all of the Scottish regions.



#	Answer	%
1	Aberdeen (City)	2%
2	Aberdeenshire	1%
3	Angus	1%
4	Argyll and Bute	1%
5	Clackmannanshire	2%

6	Dumfries and Galloway		2%
7	Dundee		2%
8	East Ayrshire		2%
9	East Dunbartonshire		0%
10	East Lothian		1%
11	East Renfrewshire		2%
12	Edinburgh City		18%
13	Falkirk		1%
14	Fife		11%
15	Glasgow City		16%
16	Highlands		6%
17	Inverclyde		1%
18	Midlothian		2%
19	Moray		1%
20	North Ayrshire		2%
21	North Lanarkshire		2%
22	Orkney Islands		0%
23	Perth and Kinross		9%
24	Renfrewshire		2%
25	Scottish Borders		2%
26	Shetland Islands		0%
27	South Ayrshire		1%
28	South Lanarkshire		5%
29	Stirling		5%
30	West Dunbartonshire		1%
31	West Lothian		1%
32	Western Isles		0%
	Total		100%

## Survey Details

The online survey was available for 10 days between 23<sup>rd</sup> August and 2<sup>nd</sup> September 2012. It attracted 131 responses from across the country. (See pages 14 – 16 for detailed profile of respondents).

The survey included opportunities for respondents to provide qualitative responses to several questions, and the report contains a summary of representative comments on each of the subjects.

## Women's Enterprise Scotland

Women's Enterprise Scotland (WES) is a community interest company, established to promote and advocate for women's entrepreneurship in Scotland as an economic driver.

Its web platform provides information, advice and connections for women interested in starting and growing businesses. It works collaboratively with a number of organisations and agencies, including the Association of Scottish Businesswomen, 3rdi magazine and Scottish Colleges.

WES is very grateful for the support it receives from:

RBS; Business Gateway, The Hunter Centre for Entrepreneurship; Badenoch & Clark; Serps Invaders.



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