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PUTTING ALL OUR IDEAS TO WORK

Women and Entrepreneurship



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MESSAGE FROM BIAC SECRETARY GENERAL



Many women have proven to be highly successful entrepreneurs, yet many still face gender-based challenges to launching and running a business. In June 2014, BIAC held a workshop on Women’s Entrepreneurship to explore the challenges inherent in women’s entrepreneurship and document some of the successes. This report highlights these findings, as well as the practices of big business in supporting women entrepreneurs and public policy recommendations.

Access to finance and relevant business networks, as well as culture/gender bias, continue to pose significant barriers for women looking to start or grow a business. These challenges are not new, and there are now many successful private sector and government efforts underway to support and engage women-led and women-owned enterprises, including those that seek global markets. Companies are implementing programs that focus on business and entrepreneurship skills development, and engagement of women led business in global supply chains. Digital skills education and mobile technology platforms are being promoted by the mobile communications industries.

Our economies cannot afford to miss out on the contributions of talented women entrepreneurs. Private sector and public leadership remain key to effecting change – as do having the right regulatory frameworks to provide the flexibility and legal standing necessary for women to succeed.

BIAC welcomes OECD efforts to mainstream gender equality across various aspects of its work. This approach is of distinct value in developing public policy measures and private sector initiatives to enhance employment, education and entrepreneurship opportunities for women across and beyond OECD Member countries.

BIAC continues its work in this field. We hope that this report will be a useful resource to encourage further action and to accelerate change.

Bernhard Welschke
BIAC Secretary General

EXECUTIVE SUMMARY

Entrepreneurship is an important driver of economic development and growth, and a facilitator of empowerment for women around the world.

The OECD Recommendation on Gender Equality calls on governments to reduce the gender gap in entrepreneurship activity. This Report seeks to offer practical experience to OECD, governments, companies and women themselves in identifying best practices, addressing obstacles and implementing policies that will help unleash the potential for women's entrepreneurship activities. It is based on a BIAAC Workshop held in Paris in June 2014 that brought together senior representatives from the governments of France, Japan, New Zealand and the U.S., as well as executives from multinational corporations and other business representatives. They discussed the financial, social and cultural challenges facing women entrepreneurs, and provided examples of policies and programs to help realize the economic and social benefits of women's entrepreneurship.

A conservative estimate puts the number of women-owned businesses at between one-quarter and one-third of all enterprises worldwide. They populate all sectors of the economy and come in all sizes. Many of the issues confronting women entrepreneurs, as well as the qualities and skills important to their success, are the same as those that pertain to all businesses and business proprietors. The issues largely center on access to finance and markets, as well as a conducive regulatory climate for doing business. The skills include management ability, financial literacy, creativity, dynamism, self-confidence and an appetite for risk. But many characteristics of women entrepreneurs and of their enterprises differ from those of men, and therefore demand separate and specific policy interventions.

The biggest obstacle to funding and growing any business is access to capital. Despite evidence that women tend to have better repayment records than men, they face higher barriers in this regard. These disparities are the result of the complex interaction of factors, including the way private equity works, the way financial institutions operate, and the behavior of women themselves. In some countries, gender-based legal and regulatory obstacles also pertain. But even where this is not the case, women face more subtle issues. For example, private equity financing entails extensive use of intermediaries. Women tend not to be strongly entrenched within the relevant investor networks. Lacking exposure to the world of private equity, women tend to structure their projects differently from men, which may itself affect their ability to attract capital. Men and women also have different styles in "pitching" for funds. Women too often lack the knowledge and confidence to ask for large enough sums and to negotiate well on terms.



Attracting funding is thus in part about relationships and trust. For women to break into this circle of trust requires a change in mindset and behavior from all participants – male and female. Women need to think bigger, ask for more, and seek out appropriate network relationships. Some funding sources are changing their offerings to gender targeted products, such as “women bonds” to fund women-owned businesses, or foundation support for women entrepreneurs. Business accelerators, programs that provide early stage development services such as mentoring and equity based funding to small and medium sized businesses, can also be catalysts of growth.

Many multinational corporations well understand the business and economic case for greater participation of women in the workforce and have proactively introduced programs aimed at supporting women owned businesses and women entrepreneurs. Their efforts are driven by the critical role women-led businesses can play in the execution of their own business strategies. The Report includes a number of company case studies describing these programs.

Public policies that foster women entrepreneurs are key to increasing their numbers and contributing to their success. Such policies require frameworks that can provide pathways for women to start and grow businesses, and to support gender equality more generally. Regulatory and legal frameworks should not raise barriers for women; rather, employment, education, taxation, finance policies should foster women’s business initiatives. Social policies including flex-time, parental leave and access to affordable child care are essential for many women who embark as entrepreneurs. Other positive change agents include long-term education initiatives to address cultural stereotypes.

Such approaches will be shaped by national and cultural contexts. Any change will require the mutual commitment of men, women, business, government and society.



INTRODUCTION

This Report is based on the outcome of a BIAAC Workshop, “Putting all our Ideas to Work: Women and Entrepreneurship,” held in Paris on June 24, 2014. It is the latest in a series of BIAAC contributions to the OECD Gender Initiative: Gender Equality in Education, Employment and Entrepreneurship, which began in 2012 with *Putting ALL Our Minds to Work: Harnessing the Gender Dividend*. That Report highlighted the business case for women’s economic empowerment, and identified best practices and practical policy recommendations for advancing women’s roles in the workplace and in the economy.

In June 2014, BIAAC released the second of its gender reports, *Putting ALL Our Minds to Work: An Assessment*, based on a global survey of more than 200 businesses. It concluded that business continues to make slow progress in advancing women in the workplace. More businesses need to do more, and further government supported policy changes are required if the needle is to move in any significant way. (See box for details).

The survey also asked what steps companies had taken in recent years to enhance women’s entrepreneurship. Sadly the overwhelming majority said ‘None’. And when the question was widened to what the government in the respondent’s particular market had done in recent years in terms of policy or legal changes to promote women’s entrepreneurship, 68 percent reported that nothing had been done.

These results set the context for the following discussion on the financial constraints facing women entrepreneurs and the role of large companies in supporting women’s entrepreneurship. OECD has highlighted the fact that entrepreneurship is both an important driver of economic development and growth in many economies, and a facilitator of greater economic empowerment for women around the world. Its Recommendation on Gender Equality calls on governments to reduce the gender gap in entrepreneurship activity. Through its Workshop and this Report, BIAAC seeks to offer practical experience to assist OECD, governments, companies and women themselves in identifying best practices, addressing obstacles and implementing policies that will help unleash greater potential for women’s entrepreneurship activities. Overcoming the financial challenge as well as encouraging a change of behavior by many big businesses will go a long way to realizing the economic and social benefits of women’s entrepreneurship.

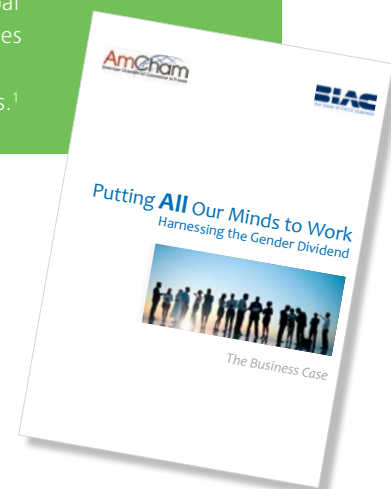
¹ Pew Research Social and Demographic trends. May 29, 2013.

PHASE 1: BIAAC GENDER PROJECT

PUTTING ALL OUR MINDS TO WORK: HAR- NESSING THE GENDER DIVIDEND

BIAAC launched its Gender Policy Initiative in 2012 with *Putting ALL Our Minds to Work: Harnessing the Gender Dividend*, which focuses on the business and economic case for promoting, attracting, and retaining female talent. That Report drew on company experience to make the case that strengthening the economic, political and social positions of women is fundamental to future economic growth, innovation and competitiveness. It also provides a toolkit of company best practices and put forward public policy recommendations to further enable efforts to maximise the benefits of gender diversity.

The report shows that despite best efforts, progress in moving women into senior decision-making roles of companies is still slow. At the current rate of change it will take until 2057 for there to be 30 percent representation of women on the boards of global large cap companies in emerging and developed markets.¹



PHASE 1: BIAC GENDER PROJECT

PUTTING ALL OUR MINDS TO WORK: HARNESSING THE GENDER DIVIDEND (2012)

Key Findings

Business recognises that there are important equity and human rights issues associated with the economic empowerment of women, but there is an undeniable business and economic case in promoting, attracting and retaining female talent in business.

- The encouragement of diversity in business requires collaborative efforts among companies, governments and civil society. Some efforts to date are related to increasing the number of women on boards. Some are there to further advance women throughout their careers. Others seek to use pressure from the investor community to speed up the process of gaining the financial benefits of diversity. All are based on the recognition that there is a gender dividend to be earned.
- While the objective of increasing the number of women on boards garners the most headlines, embedding diversity in corporate culture is a complex process. More women are needed to feed the pipeline for board positions as well as to influence business strategy as a whole. This means more women on executive committees and in senior executive positions. But it also means more women in the talent “pipeline.”
- The “pipeline” is the collective pool of talent that is nurtured and developed within the organisation throughout the professional life cycle. For it to be robust and well developed requires action from outside directors and company top leadership, and at all management levels. Together they must devise and implement a toolkit of supporting policy and concerted actions at every juncture of the corporate career route.
- In some countries, law-enforced targets for the percentage of women on boards have been successful in achieving greater representation. However, quotas do not address the actual causes for the lower percentage of women in executive positions that already arise much earlier in women’s careers. Importantly, there are examples of voluntary multi-stakeholder initiatives that are producing positive results. In addition, there are companies that have successfully implemented voluntary strategies to establish greater gender balance throughout the organisation. Such companies are serving as role models for others to emulate.
- Improving gender diversity and equality in business requires diverse solutions, adapted to the socio-cultural context. There is no one-size-fits-all approach to accomplishing positive outcomes. Moreover, no single action or intervention is enough. Successful diversity programmes require a combination of proactive leadership and company practices and measures throughout all levels of the organisation. Both top down and bottom up leadership are essential.
- Integrated and coherent public policy frameworks, which promote and support women’s economic empowerment and advancement in the workplace, are fundamental to successful gender diversity initiatives in companies. Government leadership at the highest level should champion women’s economic empowerment, and governments should actively support business in the development of policies addressing women and work by setting the right framework conditions.
- Public policy framework elements to promote and support the advancement of women in the workplace include – but are not limited to – labour market and social policies that support women if they choose to stay in the workforce, frameworks to support this including tax and benefit structures, education and training, including addressing cultural norms, and ongoing public/private partnerships.

PUTTING ALL OUR MINDS TO WORK: AN ASSESSMENT (2014)

On June 23rd, 2014 the Business and Industry Advisory Committee to the OECD, with the support of Deloitte Global, launched phase two of its gender program with a new Report, *Putting ALL Our Minds to Work: An Assessment*.^{*} This Report provides business guidance to the 2014 OECD Council Recommendation on Gender Equality and looks at the progress in company practices and government actions to advance women in the workplace. It also discusses the response of large businesses and governments to support women's entrepreneurship.

Key Findings

- Less than half of the respondents introduced new policies targeting executive advancement and manager retention
- 33 percent of respondents said improvements have been made in advancing women into executive positions, with 44 percent of companies introducing policies to promote women into executive positions. Slightly more companies reported targeting the retention of women in management positions. Provision of parental leave was the most common policy instrument cited.
- Steps taken by companies to retain and advance women include:
 - High potential development plans
 - Workplace flexibility policies diversity and inclusive leadership development
 - The provision of parental leave
- 22 percent reported losing women within their organizations. The main reasons cited were better opportunities elsewhere, lack of promotion opportunities, and challenges related to career development.
- Change agents most commonly cited were:
 - Tone at the top - CEO, board and others in a supervisory role
 - Talent management programs
 - Women - self advocating
 - Government leadership
 - Public debate including media
 - Customers and peers
- 51 percent said that their government had taken steps to support the advancement of women into executive positions and onto Boards

Key takeaways

- Change is occurring within companies and through government action, but is uneven and more can be done.
- Government monitoring of progress and company programs are both important.
- Few companies or governments have taken steps to improve the climate for women's entrepreneurship.

^{*}The survey elicited 215 responses from the BIAC network, although not every respondent answered every question. Geographic distribution was wide, but Japan and Germany were particularly responsive.

WOMEN'S ENTREPRENEURSHIP: AN OVERVIEW

The world of women's entrepreneurship is large, diverse, and of great economic significance. Women-owned enterprises exist everywhere. They populate all sectors of the economy and they come in all sizes. Worldwide, women-owned businesses are said to comprise between one-quarter and one-third of all businesses, an estimate that is almost certainly understated because available data does not always distinguish by gender, and because women are more likely to run businesses in the informal economy where data is difficult to capture.

Addressing this subject requires the development of an ecosystem that is conducive to supporting entrepreneurs and then specifically, women entrepreneurs. It requires the collaborative and concerted attention of government, business and society. It means addressing broad economic challenges such as economic expansion and job creation, capital market flexibility, capital liquidity, and labor market flexibility. It means addressing obstacles to the advancement of women in leadership within organizations, as well as the leaking pipeline of talented women. And it also means breaking down inherent bias and social norms. These factors are all part of the interconnected ecosystem impacting women entrepreneurs.

ROLE OF GOVERNMENT

Many governments have taken steps to enhance the environment for women at work, including supporting women entrepreneurs. But a Workshop panel that included OECD Ambassadors from France, New Zealand, Japan, and the U.S. -- all countries that are championing greater gender equality through the OECD -- demonstrated the diversity of situations facing women in these markets and highlighted that more can and should be done, both to support entrepreneurship and more broadly to affect the ecosystem described above.

In France, the government has introduced a range of measures to address the issues surrounding women in the workforce. Still women owners constitute only 29 percent of start-ups, and they are underrepresented in the workforce by some 9 percent. A gender pay gap persists, with women making on average 24 percent less than men. The French government employs both hard and soft law measures. It has instituted quotas for women on boards but also requires that the equal representation of men and women is taken into account in all new legislation.

“There is still a lot more to do for achieving equality; The whole society has to be involved.”

Ambassador Pascale Andreani, Ambassador to OECD (France)

New Zealand has a long history of gender equality resulting in a strong legal foundation for women. Indeed, in 1893 New Zealand was the first country to give women the right to vote. But the government recognizes the need for ongoing attention to gender diversity, particularly given the aging of the country's workforce. Recently the focus of the government has been on addressing cultural and social norms and practices. According to New Zealand's Ambassador to the OECD, Rosemary Banks, “the government has to stop thinking about what kind of jobs are available to what kind of people, for example women in construction and try to encourage people to move into careers that they might not think (their domain).”

Women form a key element of Abenomics, the economic strategy being implemented by the Japanese Government. A goal is to improve women's role in business and increase women in leadership to 30 (from the current 7) percent by 2020. Japan's Ambassador to the OECD, Kazuo Kodama described the path as "challenging," but progress is achievable. The government is focusing on basic infrastructure development such as child care capacity both onsite and offsite, and incentives to encourage women in the workforce, including subsidy support for company diversity programs. Additionally, ongoing support is needed to encourage reemployment of women and men who have taken time off or who want to start their own companies. In Japan, there remain entrenched traditional values and societal norms that need addressing. This is a long term proposition, but those in leadership positions in the government believe the tide can turn.

The U.S. government also sees the need for ongoing attention to gender equality. Women are the primary breadwinners in a growing number of U.S. households. According to Pew Research, 4 out of 10 households with children under the age of 18 have mothers as the sole or primary source of family income, compared to approximately 11 percent in 1960. Further, the percentage of married couples where the woman makes more than the man, has increased almost four-fold between the 1960s and 2011². In three quarters of all households, both parents work.

Supporting women entrepreneurs is also a focus for the U.S. government, particularly with respect to access to finance. It has established nearly 100 education centers to train and counsel women for business³ but more needs to be done.

"Our government is no longer thinking about what kind of jobs are available to what kind of people, for example women in construction, but trying to encourage people to move into careers that they might not think [their domain]."

Ambassador Rosemary Banks, Ambassador to OECD (New Zealand)

"We applaud the OECD for taking a lead in recognizing the importance of the gender perspective in the concept of inclusive growth. Empowering disadvantaged workers, particularly women, will increase the labor market participation of underrepresented groups and contribute to economic growth and social cohesion."

Ambassador Kazuo Kodama, Ambassador to the OECD (Japan)

² Pew Research Social and Demographic trends. May 29, 2013.

³ <https://www.sba.gov/tools/local-assistance/wbc>

“Infrastructure and programs to support women in work have been available in the U.S. for many years, but they need ongoing refinement to meet the differing needs of women and men. Women are more open to flex time, telecommuting and work-life balance. Women leaders are less likely to call for a meeting at 7 am or pm.”

Dr. Jeri Guthrie-Corn, DCM, United States Mission to the OECD

CHALLENGES

Many of the issues confronting women entrepreneurs are the same as those that pertain to any business startup. Similarly, the qualities and skills important to success are similar and indifferent to gender: management ability, financial literacy, creativity, dynamism, self-confidence and an appetite for risk. But in general many characteristics of women entrepreneurs and of their enterprises differ from those of men, and therefore demand separate and specific policy interventions. These are important, not only for reasons of equity, but because entrepreneurship has a positive spillover effect for growth and job creation both in developed and developing countries.

Factors differentiating women entrepreneurs include the following:

- Women led businesses tend to be concentrated in sectors less attractive to investors. In comparison to high tech or software, women’s businesses are typically in such sectors as fashion, retail, household service, education and healthcare.
- Women entrepreneurs typically start out with less capital and less external debt than men, in part because their enterprises tend to be less capital intensive, and more likely to draw on personal credit or family money. On average, one-third of self-employed men have employees, while this is the case for only one-fifth of self-employed women. Whatever the source of these differences, women’s businesses tend to be smaller, both in terms of number of workers employed and in terms of the presence and value of fixed assets, than those of men.⁴
- Women start their businesses later in life. This is in part because women tend to opt more for work-life balance due to family responsibilities. Once running their own business, for the same reason, they tend to work less. According to the OECD, 22 percent of self-employed women work less than 40 hours a week, versus 10 percent for self-employed men.⁵
- These women tend to be highly educated. According to the OECD, on average across OECD countries, 33 percent of self-employed women and 27 percent of self-employed men have a tertiary education degrees.

The following sections address two critical challenges facing women entrepreneurs. They help explain why women led businesses need potential policy intervention if economies are to capture the full growth and job creation potential of women entrepreneurs.

ACCESS TO FINANCE

When asked to identify the biggest obstacle to funding and growing their businesses, women entrepreneurs around the world cite barriers to access to capital. This is a concern common to all entrepreneurs. But, as the OECD notes, women tend to face higher barriers in this regard – despite evidence that women tend to have better loan repayment records than men. For example, OECD data from sixteen European countries in 2009 shows that women-owned enterprises are less likely than men-owned enterprises to rely on external financing for their investments (27% of women-owned enterprises had no loans in the last two years, versus 20% of men-owned ones)⁶. We also know that access to finance is an issue for both small and less capital intensive ventures and high growth operations, and it is an issue for startups everywhere.

Unequal access to finance produces perverse results. The fact that women are encountering difficulties in growing their enterprises is both a problem for the economy as a whole and a source of untapped potential. The growth of mid-sized corporations is central to economic growth and job creation. SMEs require external capital to grow. SMEs contribute to around two thirds of total formal employment in G20 countries. According to the Business 20 (B20), new firms—5 years or younger—have created half of all new jobs in the past decade, and continued to remain positive on net job growth during the economic crisis⁷.

HOW BIG IS THE GAP?

According to the IFC, 70% of women led SMEs in the formal sector of developing countries are underfunded, which is a gap estimated to be about \$285 billion. Goldman Sachs projected that closing this credit gap in emerging economies by 2020 would result in income per capita growth rates on average around 12% higher by 2030 in these countries⁸.

In the U.S only some 13 percent of venture capital goes to women-led enterprises. The Center for Venture Research at the University of New Hampshire calculated that approximately 20 percent of angel investors (usually individuals who invest comparatively small amounts in startups either as sole investors or through syndicates) in the United States are women and that similarly approximately 20 percent of the entrepreneurs that are seeking angel capital are women⁹. Further, a recent study from Babson College shows that the proportion of women partners in U.S. venture capital firms declined to 6% in 2014 from 10% in 1999¹⁰.

⁴ <https://www.sba.gov/tools/local-assistance/wbc>

⁵ 2012 Gender Equality in Education, Employment and Entrepreneurship Final Report <http://www.oecd.org/social/family/50423364.pdf>

⁶ Ibid

⁷ B20 SMEs & Entrepreneurship Task Force Presentation <http://b20turkey.org/wp-content/uploads/2015/01/SMEs-Entrepreneurship.pdf>

⁸ Goldman Sachs Giving credit where it is due <http://www.goldmansachs.com/our-thinking/investing-in-women/gmi-report-pdf.pdf>

⁹ Women Angel Investors Hampered By Gender Stereotypes, http://www.unh.edu/news/cj_nir/2011/jul/lw20venture.cfm

¹⁰ <http://www.babson.edu/Academics/centers/blank-center/global-research/diana/Documents/diana-project-executive-summary-2014.pdf>

WHY THE GAP

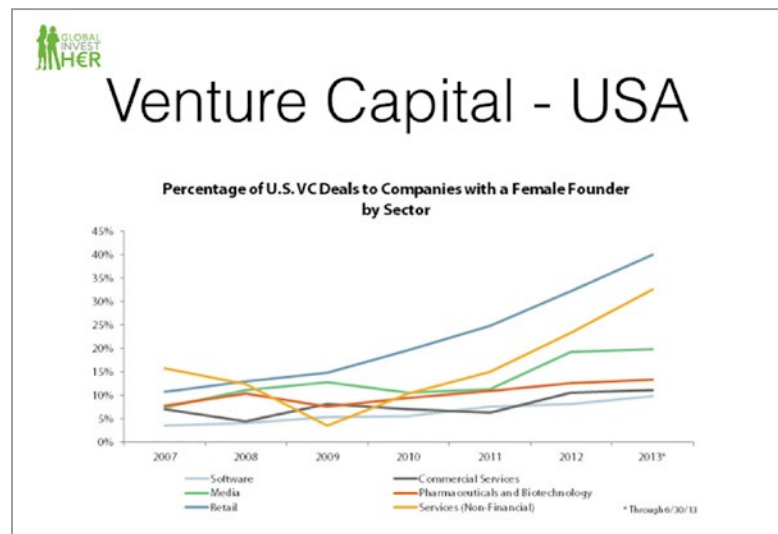
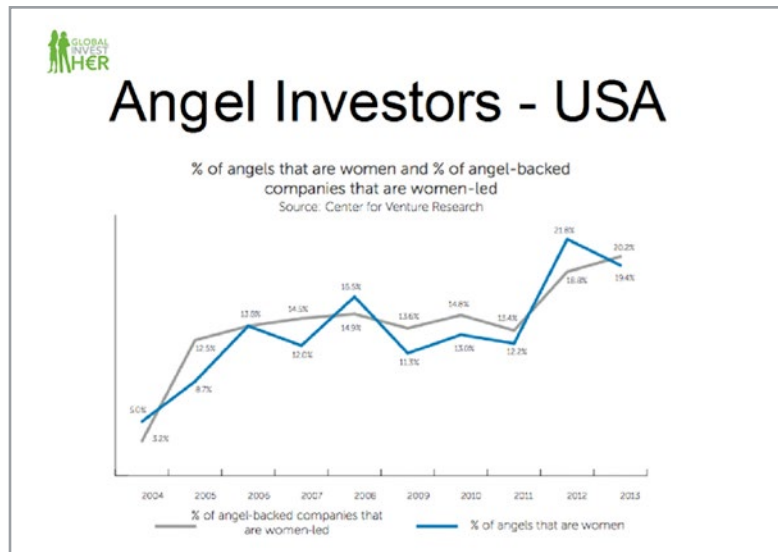
These disparities are the result of the complex interaction of diverse factors, including the way venture capital and private equity works, the way financial institutions operate, and societal norms, including the current mindsets and (un)conscious biases of male investors who tend to be more comfortable investing in men because of 'pattern recognition', and including the confidence level and actions of women. Largely as a result of cultural and societal norms and entrenched business practices, private equity financing entails extensive use of intermediaries, particularly amongst less finance dependent operations. Unless the intermediaries bring investors to women led businesses, women led business will remain out in the cold. This is why networks are important, and women tend not to be strongly entrenched within the relevant male-dominated investor networks. Both the easy reversion to the "old boys club," and the tendency of women to not "lean in" to push themselves into the circle, must change.

"Leaning in" can also involve a willingness to take risks, to ask questions, and to enter unfamiliar territory. Investors also look to rerun past successes, creating an inherent bias toward the existing male dominated investor-business pool. Many of the past investment successes, particularly in recent decades, have come from high growth, male dominated fields, like technology, where women owned companies are relatively rare and therefore out of the line of sight of potential investors. Also investment is built on relationships of trust with people who share a vision. Until the pool is diversified, attracting investment will remain an obstacle for many women.

These observations are supported by studies that consistently show that venture capitalists are predominantly white men who in turn mostly fund companies started and run by other men. The venture capital industry has resisted calls to increase the number of women and minorities in its ranks and to fund more companies started by women and minorities. Observers say hidden or unconscious bias from people in position of power who hire from their immediate circles rather than casting a wider net is largely responsible for the gender and racial gap in venture capital. Patterns have emerged over time. White and Asian men have become the stereotypical image of a Silicon Valley engineer or entrepreneur and therefore are more likely to get funded. Venture capital firms hire successful entrepreneurs and executives as partners. It is a difficult circle to break.

Lacking exposure to the world of venture capital and private equity, women tend to structure their projects differently from men, which may affect the ability to attract capital. Men and women also have different styles in "pitching" for funds, with men being more aggressive. Women also too often lack the knowledge and confidence to ask for large enough sums and to negotiate well on terms. For example, in Europe, the average amount of seed capital sought by men runs into the millions of euros. For women, the average is 500,000 euros, which is usually insufficient to fund a business on a long-term ongoing basis.

Women entrepreneurs in some countries may suffer from legal and regulatory obstacles. This is a fact substantiated by a report from the International Finance Corporation (IFC) and World Bank, *Women, Business and the Law 2014: Removing Restrictions To Enhance Gender Equality*. The Report found that while 42 economies reduced legal differences between women and men, 128 out of 143 economies studied still impose legal differences on the basis of gender in at least one of the report's key indicators. The report also identifies 48 law and regulatory reforms enacted between March 2011 and April 2013 that could enhance women's economic opportunities.¹⁰ Such restrictions result in negative economic consequences – a potential loss of the gender dividend.



Economies with greater numbers of restrictions on women's work have, on average, lower female participation in the formal labor force and have fewer firms with female participation in ownership. Conversely, economies which provide a greater measure of incentives for women to work, have greater income equality.¹¹

¹⁰ Women, Business and the Law 2014: Removing Restrictions To Enhance Gender Equality; International Finance Corporation and The World Bank; <http://wbl.worldbank.org/reports>

¹¹ Ibid

SOME SOLUTIONS

Thus, attracting funding is in part about relationships and trust. For women to break into this circle of trust requires a change in mindset and behavior from all participants – male and female.

According to Ane Ravanona, Founder and CEO of GlobalInvestHer (www.globalinvesther.com), women need to take their own steps if they want to be more successful at attracting finance. They need to think bigger, ask for more, and seek out appropriate network relationships.

Some funding sources are changing their offerings to gender targeted products, with the goal of making it somewhat easier for women. For example IFC has created \$165 million “women bonds” to fund women-owned businesses. Bank of America created a \$10 million foundation for women entrepreneurs. There is also the Tory Burch Foundation - the Elizabeth Street Capital initiative - which is making \$10 million in low-cost loans available to women entrepreneurs.

Business accelerators, programs which provide early stage development services such as mentoring and equity based-funding to small and medium sized businesses, in particular in markets where advisory services are needed by women-owned businesses, are also likely catalysts of growth. In some markets, business accelerators are changing for the better. For example, in Latin American markets, business accelerators now have 20 – 30 percent women in their teams, and fund managers have 20 percent female analysts (although but few have women as the keepers of the money). These dynamics can start to make it easier for women entrepreneurs to access finance, and with other services provided by the accelerators such as mentoring, and networks, the numerous challenges facing women business owners referred to above start to be addressed.

Other positive change agents include providing child care, parental leave and flextime; as well as long-term education initiatives to address cultural stereotypes.

¹⁰ Women, Business and the Law 2014: Removing Restrictions To Enhance Gender Equality; International Finance Corporation and The World Bank; <http://wbl.worldbank.org/reports>

ENTREPRENEURSHIP AND COMPANY BEST PRACTICE

Many large and multinational business organizations have proactively introduced programs aimed at supporting women owned businesses and women entrepreneurs. Their efforts are driven by the critical role women-led businesses can play in the execution of their business strategies, including talent, diversity and corporate responsibility and brand as well as profitability. Many multinational enterprises clearly understand the business and economic case for greater participation of women in the workforce. The following case studies have been provided by businesses that implement programs that support women entrepreneurs and women-led businesses.

DELOITTE

• Madonna Jarrett, Deloitte Touche Tohmatsu Limited

Supporting women in the workforce

Deloitte firms worldwide have been advocates for advancing women in the workforce. Their talent management practices aim to continuously enhance diversity and inclusiveness. In addition corporate responsibility programs target education, training, financing and support of women at work, including women entrepreneurs. There is a gender dividend to be gained in supporting women in the workforce. It is an economic, business and social imperative.

Below are some Deloitte programs that are indicative of Deloitte's commitment to support women in the workforce.

Deloitte Australia is a social investor in **"Good Return"** whose mission is to empower women to grow their incomes and break the poverty cycle for good. Through support of microfinance and skills development programs, Deloitte helps enable people living in poverty to grow their incomes and change their lives in a sustainably way.

In 2013, Good Return funded its 5,000th borrower having disbursed over \$1 million in loans. In Cambodia, Fiji, Laos, Indonesia, Tonga, the Philippines, and Nepal and continued delivery of education for the poor.

Deloitte Central Europe has developed the SheXO Club, an arena for professional, executive women to develop relationship building skills to facilitate their personal and professional growth. The club creates an environment for thought exchange, support and networking opportunities for C-suite women and entrepreneurs within Central Europe.

Panelists at the European Women Forum Berlin, December 2014. Organized by the Embassy of the Republic of Slovenia in Germany, the European Commission in Germany and Deloitte Central Europe.





In India, **Deloitte Global and Deloitte U.S.** have supported Pratham USA to open six Achievement Centers targeting education and training for young women. More than 1310 young women who had previously dropped out of school have enrolled in the program since 2011. Their coursework focuses on secondary school examinations preparedness, vocational and employability skills, and building personal confidence. Deloitte LLP continues to support two centers in 2014-15 in Hyderabad city that has an enrollment of over 200 women.

Students at POSE center in Odisha, India.



Deloitte Global sponsors the Women's entrepreneurship platform, (WEP) an organization based in Brussels that brings organizations of women entrepreneurs or women in business together to exchange best practices and information to promote female entrepreneurship. WEP is the first point of contact for EU policy makers, in particular Members of the European Parliament (MEPs) and officials of the European Commission, committed to advancing this challenge.

In December 2014, WEP organized a Lunch debate on 'Improving Access to Finance for Women Entrepreneurs' in the European Parliament hosted by MEP Teresa Jiménez-Becerril, and attended by almost 100 persons (including members of Parliament and their advisers, as well as officials of the European Commission).

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- **Ellie Bertani, Senior Manager, Women’s Economic Empowerment, Walmart**

In 2011, the Walmart President and CEO launched a major initiative that uses the company’s global size and scale to help empower women across its supply chain. Working with leaders from government, non-governmental organizations (NGOs), philanthropic groups and academia, Walmart’s Global Women’s Economic Empowerment Initiative established five goals.

By the end of 2016, they aim to: increase sourcing from women-owned businesses; empower women on farms and in factories through training, market access and career opportunities; empower women through job training and education; increase gender diversity among major suppliers; and make significant philanthropic giving toward women’s economic empowerment.

More about Walmart’s initiatives can be found on their website at: corporate.walmart.com/women.





- **Heather Bizzell, Communications Director for UPS Europe**

In the transportation sector, UPS is working to create and maintain a diverse and inclusive workforce. In response to analysis which revealed that female employees were leaving at a disproportionate rate, UPS established the Women's Leadership Development (WLD) program in 19 pilot locations in 2006. The objectives of WLD are to improve the retention of women, develop women in management to enrich UPS's pipeline of talent, and position UPS for future business growth opportunities with women entrepreneurs.

The program has a three-pronged approach: internal networking, to provide employees with career-enhancing relationships; community involvement, to support development of participants' leadership skills; and external networking, to help participants expand their knowledge by connecting with businesswomen outside of UPS.

Since 2006, WLD has expanded internationally from the U.S., Canada and Americas Region to Europe and Asia-Pacific. Not only has this program resulted in higher retention of women in managerial roles, in addition, UPS has noted a positive correlation between a diverse workforce and sales. Since the implementation of WLD, over 23,000 UPS women and men have participated in over 3,000 professional development opportunities.



- **Michael Goltzman, Vice President, International Government Relations & Public Affairs, Coca-Cola Company**

5by20 is The Coca-Cola Company's ambitious global initiative to enable the economic empowerment of 5 million women entrepreneurs across its value chain by 2020. Specifically, that means the small businesses – from fruit farmers to retailers to artisans – the Company works with in over 200 countries and territories around the world. To implement this program, Coca-Cola collaborates across sectors, bringing together business, government and civil society, including the following key partners : UN Women, IFC, TechnoServe, the Bill & Melinda Gates Foundation, IDB and Mercy Corps, among many other NGOs.

By the end of 2013, more than 550,000 women were impacted through the Company's 5by20 initiative through programs enabling women in 44 countries. The Coca-Cola Company was recognized with the 2013 Catalyst award acknowledging its exceptional initiatives that expand opportunities for women in business, and in 2014, the Company received the Women's Empowerment Principles Leadership Award, a partnership initiative of UN Women and the UN Global Compact.

More about the 5by20 program can be found on the Coca-Cola Company's website at: <http://www.coca-colacompany.com/stories/5by20>.

- **Martine Benoist, Independent Stylist, Stella & Dot**
(<http://www.stelladot.fr/sites/martinebenoist>)

Martine Benoist is an Independent Stylist at Stella & Dot in France. Stella & Dot, an Inc. 500 Fastest-Growing Company, is a San Francisco based social selling company that creates flexible entrepreneurial opportunities for women. Founder Jessica Herrin, a mother of two, had a vision to create a new kind of company that would offer today's busy woman a career alternative. Its boutique-style jewelry and accessories line is available exclusively through in-home Trunk Shows by Independent Stylists and online. The company started 10 years ago in the US with 10 Stylists, but by 2014, it has expanded to Canada, Great Britain, Germany, Ireland and France, meeting the demand by women for flexible employment. There are over 12000 Stylists throughout these countries.

More about the Stella & Dot Company can be found on their website at: <http://www.stelladot.com/about>.

- **Nicola Ehlerman-Cache, Acting Head of the Middle East and North Africa Division for the Global Relation Secretariat, (addressing OECD-MENA Womens Business Forum)**

The OECD-MENA Women's Business Forum (WBF) is a network of over 700 stakeholders from governments, the private-sector and civil society which serves as a platform for research and policy dialogue to improve women's entrepreneurship in the MENA region. WBF's key missions are to identify gaps in support for women entrepreneurs; improve women's access to finance and business development services; and connect women entrepreneurs, provide role models and improve access to information.

A WBF meeting on "Tools supporting women's economic empowerment" held in June 2014 at the OECD, brought together over 70 participants including policymakers, representatives from international organisations, academia, the private sector and civil society. The meeting explored a range of issues critical to advancing women's economic empowerment in the region. The meeting also provided the opportunity to launch the preliminary version of the publication *Women in Business 2014: Accelerating Entrepreneurship in the Middle East and North Africa Region*. Key areas of future work for the WBF are to study women in corporate leadership in the MENA region, to develop a "financial toolkit" to further support women entrepreneurs in accessing finance, and to draw on the findings of the study of the impact of the legal environment on women's economic participation.

More about the OECD-MENA Women's Business Forum can be found on their website at: <http://www.oecd.org/mena/investment/womenempowerment.htm>.

- **Vicky Slight, Senior Director, Membership & Connected Women, Groupe Speciale Mobile Association (GSMA)**

GSMA's Connected Women program is focused on the socio-economic benefits of greater inclusion of women at all points in the mobile industry continuum from consumer to employee to leader. GSMA Connected Women accelerates growth of the female digital economy by working with partners to bring significant socio-economic benefits to all women and to the mobile eco-system globally. The GSMA Connected Women program objectives are to close the connectivity gap; close the digital skills gap; and lead on the global digital agenda.

GSMA is delivering this by, reducing the gender gap in mobile access and usage, addressing the digital skills gap, and gaining commitment from the industry to improve diversity in the workforce.

More about the GSMA Connected Women program can be found on their website at:
<http://www.gsma.com/connectedwomen/>.

- **Didier Verhulst, President and CEO of Cell & Sat, Board Member of Kacific**

Access to fast affordable broadband enables women to increase productivity, access new markets, improve education, find better jobs, and contribute to innovation and economic growth. However, fast affordable broadband is not yet available to many women in Pacific nations. The Kacific project seeks to address this. Kacific will launch a new broadband satellite in 2017, using powerful, tightly focused beams specifically designed to deliver high speed internet to the enterprises, agencies and remote communities in the Pacific islands, Eastern Indonesia, New Zealand and Papua New Guinea. With speeds of up to 10Mbps, the satellite would substantially improve internet broadband access and affordability for all islanders, local businesses and rural areas.

A wide range of partners are already involved in the Kacific project and have started giving shape to Kacific's new value chain. Satellite operators, telecom infrastructure manufacturers, tourism industry players, local governments, regional aid programs and local companies all have a role to play and will benefit from the Kacific ecosystem. With this technology, governments and organizations in support of this initiative will be able to help entrepreneurs in more desolate regions in both developed and developing countries.

PUBLIC POLICY RECOMMENDATIONS

Public policies that foster women entrepreneurs are key to increasing their numbers and contributing to their success. Such policies require frameworks that can provide pathways and support the full “ecosystem” necessary for women to start and grow businesses, and to support gender equality more generally.

Importantly, regulatory and legal frameworks for key areas should not raise barriers for women. Rather, employment, education, taxation, finance policies should foster women’s business initiatives. Social policies including parental leave and access to affordable child care are essential for many women who embark as entrepreneurs.

There are many policy options that could be introduced to help address the issues facing women entrepreneurs and approaches will be shaped by national and cultural contexts. Any change will require the mutual commitment of men, women, business, government and society. There is no silver bullet.

BUSINESS LOOKS TO GOVERNMENTS TO ADOPT THE FOLLOWING PUBLIC POLICY APPROACHES:

- **Education:** Empower women with entrepreneurship and technical (STEM) skills and address cultural norms that may discourage women from acquiring these skill sets.
- **Enabling business environment:** Ensure stable transparent regulation that supports all entrepreneurs, including easy access to public information on starting a business
- **Labor market flexibility:** Ensure that labor policy frameworks support flexible working approaches for women entrepreneurs and their business
- **Non-discrimination:** Ensure property rights and access to finance, including for equity investment
- **Pro-growth tax systems:** Ensure that tax systems foster and do not impede entrepreneurs and start up growth
- **Affordable child care:** Provide access to quality affordable child care
- **Networks:** Find ways to support connections among female and male entrepreneurs, including through small business initiatives and connecting large and small business

A number of these policy approaches have been the subject of discussion for decades. Their implementation, i.e. delivering on these policy frameworks, can make a significant difference in opportunities for women entrepreneurs.

