

New Era for Female Entrepreneurship in York & North Yorkshire 2024



Enterprise Works



Foreword



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It is with great pride and anticipation that I present the summary of a comprehensive report on female entrepreneurship, an essential and timely exploration of the dynamic contributions of women in the business world.

At the University of York, we are committed to fostering an environment that supports diversity, innovation, and inclusive growth. This report exemplifies our dedication to understanding and advancing the pivotal role that women entrepreneurs play in driving economic development and societal progress.

Women entrepreneurs are at the forefront of creating innovative solutions, generating employment, and spearheading sustainable development. Despite facing unique challenges, they demonstrate resilience, creativity, and an unwavering spirit that inspires us all. This report delves into the myriad factors influencing female entrepreneurship, offering valuable insights into the barriers they face, the strategies they employ, and the ecosystems that support their success.

The University of York's commitment to research and excellence is reflected the thoroughness and rigor of this study. It is our hope that the findings and recommendations within will not only contribute to academic discourse but also inform policy, inspire future entrepreneurs, and catalyse a supportive environment for women in business.

I extend my gratitude to the dedicated researchers, participants, and contributors who have made this report possible; your efforts are a testament to the power of collaboration and the impact of shared knowledge.

We look forward to continuing our support for female entrepreneurs and fostering an inclusive entrepreneurial landscape where everyone has the opportunity to succeed.

New Era for Female Entrepreneurship in York & North Yorkshire

York & North Yorkshire (YNY) stands to create up to 165,000 jobs and could add £2.6 billion to GVA by investing in female entrepreneurs in our region. However, the region features diverse urban, rural, and coastal areas, each with unique obstacles. This diversity necessitates tailored and holistic support for women entrepreneurs in different localities.

Based on a review of existing research and an in-depth consultation exercise with female entrepreneurs across the region, this summary report highlights a set of key challenges that women entrepreneurs face as well as highlighting the systemic and structural barriers that are adversely impacting their success. Despite the economic and social benefits of women entrepreneurship, women in the region do not feel adequately supported due to persistent social norms, infrastructural challenges and difficulties accessing finance and funding.

This summary report seeks to serve as a catalyst for change and present the foundation for a roadmap to more inclusive and prosperous growth across YNY. We call upon policymakers and key stakeholders to help crystallise and drive the various policy considerations identified by the women themselves. As such, this report outlines seven priority areas to better support existing and future female entrepreneurs across the region, including:

1. Struggling with confidence.
2. Difficult pathways to self-employment.
3. Understanding and access to finance.
4. Understanding and investing in customer acquisition, retention and pricing.

5. Quality and availability of various forms of local infrastructure.
6. Quality and availability of mentorship.
7. Managing business administration.

The new Mayoral Combined Authority (MCA) of YNY is well placed to action the policy interventions highlighted and significantly reduce the challenges identified, while also benefiting wider communities and enhancing their resilience and progress for the future. By supporting the potential of existing and future women entrepreneurs, we can transform YNY into a prosperous and entrepreneurially vibrant area with a supportive and equitable economy.

This research focuses on a place-based approach and, as such, it was important to prioritise a collaborative process that integrates the voices of those in the community, and participation and recruitment were enabled through collaboration. The Federation of Small Businesses (FSB), alongside Enterprise Works at the University of York, recruited and advertised ongoing research events to their networks. Community consultations were carried out throughout YNY to purposefully appeal to a wider and representative sample within the region. This research prioritises first-hand experiences and the women's proposals for policy change. Engaging with local communities and understanding their specific needs is essential for developing effective policies; only then can we advance a place-based approach to economic development, to ensure that interventions are relevant and impactful.

York & North Yorkshire Stakeholder Engagement:

The fieldwork completed to inform this report was completed as part of a three stage process.

- Stage 1: five community consultations that took the form of focus groups were completed with women entrepreneurs. The consultations took a mix of online (1) and in-person (4) formats. In-depth interviews were completed at this stage with a small sample to adequately capture a range of experiences.
- Stage 2: using insights generated from Stage 1, a survey was designed with a specific focus on place-based challenges.
- Stage 3: a workshop was held on January 31st at York's Guildhall, with approximately 45 attendees and was focused on the core challenges identified throughout the consultations, interviews and the survey results.

Subsequent analysis and insight generation was completed from qualitative data analysis and quantitative analysis using mixture of publicly available and proprietary data.

99% of survey respondents were women who ran a business, though the characteristics of their businesses varied e.g., sector, ownership, employee number etc.

Describing the gap:

There are **23,562** fewer self-employed women than men in YNY, with men nearly **2x** as likely to be self-employed.

94% of female-led companies in YNY are microbusinesses.

63% of girls never thought about starting their own business.

35% girls say they had been encouraged to consider entrepreneurship as a career, compared to **42%** boys.

In YNY, not one pound of government contracts was awarded to a female-led business in the last 12 months, as opposed to **£27.2m** to male-led businesses and **£50.9m** to business led by a mix of genders.

In YNY, only **£62k** of equity was raised by female-led organisations, compared to **£3.8m** male-led organisations and **£1.8m** by those led by a mix of genders.

In YNY, only **7** female-led businesses import and export products and services, compared to **199** male-led businesses and **154** those led by a mix of men and women.

Magnitude of untapped potential:

YNY stands to create up to **165,000** jobs and add **£2.6 billion** to GVA by supporting female entrepreneurs.

In both the EU and the OECD, women account for **73%** of missing entrepreneurs, with recent statistics demonstrating that the UK's Gross Domestic Product (GDP) would be boosted by between **6-12%** if women were as active as men in starting and growing businesses.

Firms with female founders achieved over **30%** more turnover growth than those with male only founders – yet only **16%** of firms had a female founder.

The data points presented in this summary page are from the survey completed as part of this research, data from mnAi, ONS data, Santander, OECD research and the Alison Rose Report.

Observed barriers:

Lack of confidence is a challenge faced by **24%** of women.

19% did not feel that they are taken seriously as an entrepreneur, just over half **52%** did.

79% of women have ambitions to grow or scale up their business, but **31%** do not have access to or know where to look for funding.

57% of those surveyed agree that the mental load of running a business with everyday life is a barrier to their business continuity and/or growth.

73% believe that business planning is needed as a skill for a successful entrepreneur, but only **36%** felt that they had this skill.

68% of women think that financial management is needed for successful entrepreneurship, only **36%** think they have this skill.

19% of women surveyed from North Yorkshire think there is a lack of opportunities to expand their skills, compared to **5%** of women in York and York Outer.

33% of women did not have access to or know where to look for a mentor.

Key findings and policy considerations

Social norms profoundly influence the lived experience of women entrepreneurs. Evidence from our research highlights a range of systemic and structural barriers that limit the potential contribution of women-led businesses. As part of this consultation, this report highlights a range of policy considerations to help transform YNY into a prosperous and entrepreneurially vibrant area with a supportive and equitable economy.

Across seven key challenges as derived from our initial community consultations, interviews and survey, this report identifies the root causes and consequences of each challenge workshoped. This highlights participant policy solutions for key policymakers and decisionmakers in the region.

Other policy considerations noted, but not elsewhere classified include:

- Earlier intervention (e.g., in schools) to highlight entrepreneurship as a viable and attractive career path for women, as well as caregiving as an attractive pursuit for men.
- Exploring the development of a Female Enterprise Pledge/Charter for the YNY region, that exists alongside the Good Business Charter in York city.
- Critically reviewing the regulatory environment.
- Critically examining the availability of funding, particularly in underserved regions

Challenge	Key Findings	Policy Considerations
Struggling with confidence	<ul style="list-style-type: none"> • Many women felt that their past experiences in sometimes toxic work environments and the consistency with which they felt like 'imposters' significantly hindered the degree of confidence they had in their own ability, the efficacy of their business as well as their likelihood for future success. • Critically, these women often felt that this limited the ambitiousness of their vision, heightened their aversion to risk and gave a rationale for 'undercharging' for their products and services. 	<ul style="list-style-type: none"> • Investing in reframing what a successful and growing business looks like e.g., what metrics to use, how it should 'feel' for the business owner. • Investing in coaching and resources for self-care, particularly aimed at small businesses. • Showcasing YNY as well as UK wide success stories of female entrepreneurs.
Difficult pathways to self-employment	<ul style="list-style-type: none"> • It was not uncommon for women to cite previous toxic cultures in the workplace and being passed up for promotion as reasons for pursuing a self-employed career. • Moreover, poor access to or affordability of childcare and adult care was regularly noted as a need for greater time flexibility than offered in salaried positions. • This theme was exacerbated by the commonly referenced gendered expectation and stereotype that women are the primary caregivers. • Ultimately this adds to the physical and mental toll of running a business, as well as the available time for forward planning and administration. 	<ul style="list-style-type: none"> • Investing in an end-to-end provision of a female entrepreneur support programme that addresses all key barriers. • Expanding the existing YNY provision of training. • Investing in identified gaps in training, particularly in 'refocusing' and 'boundary setting'.
Understanding of and access to finance and funding	<ul style="list-style-type: none"> • Many women noted knowledge and awareness of finance and funding as a key challenge. • More specifically, not having a formal education in finance, as well as not possessing an awareness of the funding opportunities available for small businesses were cited a critical. • In addition, managing debt especially alongside irregular revenue was also a challenge. 	<ul style="list-style-type: none"> • Investing in, or where already available, investing in making it more well known, education about finance, particularly practical advice e.g., what to consider for loan applications. • Investment in making more widely understood the various funding options available. • Explore the role of a regional funding 'champions' who are responsible for delivering on the above. • Explore the opportunity to develop growth hubs across the region, perhaps as a home for the 'champions' mentioned above.

Key findings and policy considerations

Acknowledgements

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Challenge	Key Findings	Policy Considerations
Understanding and investing in customer acquisition, retention and pricing	<ul style="list-style-type: none"> Lack of knowledge in technology and how it has shaped sales and marketing activity, particularly in the online channel, was noted as a material barrier for women entrepreneurs. Difficulties with keeping up with market trends and customer preferences in fast moving sectors was also cited. These have reportedly driven additional physical, mental and financial burden to invest at pace and hampered ability to 'cut through the noise' in online channels. 	<ul style="list-style-type: none"> Investing in training and support, particularly around customer acquisition and marketing strategy. Networking opportunities for new clients. Encouraging case studies and testimonials. The ability to be where your customers are.
Quality and availability of various forms of local infrastructure	<ul style="list-style-type: none"> A variety of forms of local infrastructure were noted as barriers, including childcare / adult care, office space, residential wifi, and local trains and bus services to name a few. All highlighted challenges were suggested to be constraining key drivers of business growth. 	<ul style="list-style-type: none"> Critically review the local childcare provision and the local transport infrastructure, specifically with a 'joined up' transport proposition in mind. Invest in digital connectivity in remote regions. Explore and invest in more widely available co-working spaces and networking events. Explore more targeted grants for small businesses to support the identified infrastructure challenges.
Quality and availability of mentorship	<ul style="list-style-type: none"> Many women struggle to access mentors, and those that do at times suggested that business mentors did not have the expertise to match the mentees' organisations' sector or size. It was often noted that there was a lack of female mentors who had a deeper understanding of the ambitions and challenges of the female mentees. 	<ul style="list-style-type: none"> Investment in regional professional networks. Explore the creation of 'women-only' mentorship groups. Explore options available to provide financial incentives to success business mentors.
Managing business administration	<ul style="list-style-type: none"> Many report that it is difficult to managing administrative tasks, especially for micro businesses without ample internal resource. High cost of outsourcing administration to 'experts', especially in the early stages makes this process difficult and stressful. 	<ul style="list-style-type: none"> Explore and invest in support for training and education for women entrepreneurs, particularly in business administration.