

*Sustaining the Momentum: An Economic
Forum on Women Entrepreneurs*

SUMMARY REPORT

March 2005

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Message from the Co-Chairs

This report, prepared by the Sprott School of Business at Carleton University and by Industry Canada, presents a synopsis of the research and recommendations stemming from *Sustaining the Momentum: An Economic Forum on Women Entrepreneurs*.

The Forum took place in Ottawa from October 27 to 29, 2004. Its objectives were to share leading-edge research about women entrepreneurs, to examine government support for women business owners, and to identify gaps in research and public policy. The Forum also sought to further the work of the Prime Minister's Task Force on Women Entrepreneurs. In its 2003 report, the Task Force called for the development of collaborative research and policies focusing on women entrepreneurs. An important step in this task was to examine the research on gender differences in entrepreneurship and discuss the implications of this research for entrepreneurship and small business policies and programs. Hence, the Forum brought together approximately 100 attendees that included management researchers, women and family studies experts, economists, federal and provincial policy makers, small business service providers, and women entrepreneurs.

The agenda was divided into two sections. The first consisted of information sharing through plenaries and concurrent breakout sessions. The plenary sessions were structured to ensure that attendees were aware of a common set of facts about women's business ownership. The breakout sessions provided information on specific areas of interest such as decision making, management practices, financing and training. The second half of the Forum was spent in roundtable discussions of how the research findings might influence policy development. Delegates were instructed to keep in mind two questions: "What are the implications of the research findings for public policy?" and "What are the priorities for action?" Throughout the discussions, participants shared their views on these questions and then summarized their priorities for action for research, policies and programs, communications, and partnerships.

The Forum was a Canadian first. Our expectations for the Forum were high and we were not disappointed. Delegates gained insight into the economic importance of women business owners in Canada. We learned about the gender-specific challenges that women face in starting and growing a business. While some of the research challenged conventional wisdom about gender and business ownership, other studies confirmed earlier observations about women entrepreneurs. Presentations showcased innovative approaches to supporting women's entrepreneurship in Canada, Europe and the United States. New working relationships were established.

It is our hope that the Forum and this report will serve to inform research and further the development of policies and programs that support women entrepreneurs. This report will be shared with delegates, interested stakeholders, and federal

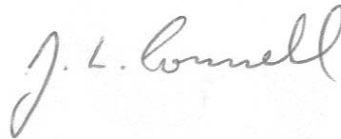
departments and agencies responsible for small business and entrepreneurship. The research presentations are available online at <http://sprott.carleton.ca/forum>.

On behalf of the Forum Organizing Committee, we would like to thank all of the delegates for making the Forum a success. We also wish to thank ScotiaBank as well as International Trade Canada and Export Development Canada for their financial support of this event



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The Context: Understanding and Supporting Women Entrepreneurs

Facts about women-owned firms

Small business is an essential component of Canada's economic fabric. Small businesses employ approximately 5 million people, almost half of Canada's private sector labour force. Furthermore, in 2003, 14 percent of the total Canadian labour force was self-employed, accounting for approximately 2.4 million workers.¹ Women account for a significant portion of small businesses owners and self-employed workers.

Over the last 20 years, Canada has seen a 200-percent increase in the number of women-owned firms.² By 2001, nearly half (47 percent) of all small and medium-sized enterprises (SMEs) in Canada had at least one female owner. In 2003, women held majority ownership in 18 percent of SMEs, an increase of 3 percent from the previous year. The employment contribution of women-owned firms is also significant. In 2003, more than 570,000 people were employed by a *majority women-owned firm*.³ Firms with at least one female owner employed 2.6 million people. Roughly one-third (34 percent) of the self-employed in Canada were women, a proportion that has been rising over the last two decades.

The presence of women in business ownership is felt well beyond job creation. Majority women-owned SMEs produced annual commercial revenues of \$72 billion in 2000. These sales represented approximately 8 percent of all revenues from Canada's SMEs in that year. Women's presence is evident across all sectors of the Canadian economy, although disproportionately in service industries. In 2001, 80 percent of majority women-owned SMEs operated in the services sector, compared with 59 percent of SMEs owned by men.

Despite these impressive gains, women-owned firms lag their male counterparts in firm performance. For example, in 2000:

- The average revenue of women-owned firms was approximately half that of male-owned firms (\$318,000 versus \$680,000).
- 85 percent of women-owned firms employed fewer than 5 people, compared with 79 percent of firms owned by men.

¹ A "small business" can be defined in several ways, including by number of employees, sales revenue and size of assets. For the purpose of this report, a business is "small" if it employs fewer than 100 people. All businesses with fewer than 500 employees are considered SMEs (small and medium-sized enterprises), while firms with 500 or more employees are classified as "large" businesses.

² The data presented is drawn from the *SME Financing Data Initiative* (SME-FDI), a federal initiative that aims to provide comprehensive, reliable data on SME financing in Canada.

³ SME-FDI defines a "majority woman-owned business" as one in which more than 50 percent of the firm's equity is held by a woman (or women).

- Nearly half of women-owned businesses were sole proprietorships, compared with 39 percent of male-owned firms.
- While the financial performance of women-owned firms was solid, it was on a significantly smaller scale than that of firms owned by men. The average net profit before taxes for a women-owned firm was approximately \$34,000—nearly half the average net profit before taxes of firms owned by men (\$65,000).

A partial explanation for these differences is the concentration of women-owned firms in service industries, a sector characterized by comparatively smaller firms and moderate growth. Knowledge-based industries and manufacturing firms, key sectors for Canada's economic growth, attract only 6 percent of all women entrepreneurs, compared with 12 percent of male business owners.

However, the concentration of women entrepreneurs in these sectors does not fully account for gender differences in firm performance. Other explanations include firm age, differences in management experiences as they relate to finance, marketing, operations and technology management, fiscal literacy, and the quality of strategic planning. Differences in motivation at start-up, attitudes about growth, perceptions of success, risk propensity, concerns about “being taken seriously” and leadership styles have also been documented. Research also points to differences in the use of time and social capital, including differences in the prioritizing and weighting of personal and professional demands. Compared with men, women may have fewer role models and mentors, smaller professional networks, lower quality referrals, a lack of spousal or peer support, fewer personal assets, and shorter credit histories. All of these factors can influence firm performance.

Clearly, the relationship between gender and firm performance is complex. Researchers and the federal government need to better understand the nature of these differences, why they persist, and the role of federal policies and programs in mitigating them.

To situate this analysis in the broader context of federal economic policy, the next section provides an overview of the current federal approach to small business.

Federal Approach to Supporting Small Business

The strategic framework that guides policies to support small business was set out in 1994 in *Canada's Small Business Policy Agenda—Growing Small Businesses*.⁴ The small business agenda consists of two key strategies:

- ensuring that the business environment is conducive to the growth of small businesses; and
- targeting limited government resources more effectively to enhance competitiveness and encourage small firm growth in the global economy.

⁴ The agenda was established by the ministers of Industry and Finance.

The first strategy aims to create a productive domestic marketplace environment by influencing policy reforms in the areas of taxation, regulation, financial markets, and business development programs and services. The second strategy guides government departments and agencies in the continuous review and adjustment of policies to support the economic performance of small firms. This strategy offers two approaches for channelling limited government resources:

- the provision of strategic information and expertise on the markets, technologies and best practices useful to the growth of small businesses; and
- the development of specific policies to address market failures that impede the development and growth of small firms.

As such, the current federal approach to supporting small businesses is gender-neutral, and is based on SME programs of general application that fit within this strategic framework. However, most policies and programs have built-in flexibility to accommodate the unique challenges faced by different client groups, such as youth, Aboriginal or women entrepreneurs.

One example of this flexibility is the Business Development Bank of Canada's \$25-million fund targeted to fast-growing women-owned firms.⁵ The regional development agencies, as part of their broad economic mandate, also provide services to women entrepreneurs. Of note are the Women's Enterprise Initiative, run by Western Economic Diversification Canada, and the Atlantic Canada Opportunities Agency's Women in Business Initiative. Both offer financing as well as training and mentoring services. Canada Economic Development for Quebec Regions and FedNor also support women's entrepreneurship through partnerships with community loan funds.

Some argue that a gender-neutral approach is insufficient and that gender-based programs are the solution to bridging the performance gap. The fundamental question for government then becomes: is there a convincing case for gender-based programming? Arriving at an answer requires an understanding of:

- the nature of gender-specific differences in firm performance and how gender affects firm performance; and
- how policies and programs could mitigate these gender differences.

Debate continues about the goals of government policy on women's entrepreneurship. Several goals have been put forward, including economic development and economic independence.⁶

⁵ The Business Development Bank of Canada also offers services tailored to young and Aboriginal entrepreneurs.

⁶ Adapted from Linda Mayoux (2001) *Jobs, Gender and Small Enterprises: Getting the Policy Environment Right*. Geneva: International Labour Office, InFocus Programme on Boosting Employment through Enterprise Development, Job Creation and Enterprise Development.

- *Economic development (or business case perspective)*: Within this perspective, women-owned firms are an underused or under-performing resource, one to be tapped for employment creation and economic growth. In this context, programs and policies for women business owners are seen as a means to nurture economic development. The challenge of research and policy is to determine the most effective and efficient means to support financially viable women-owned businesses.
- *Economic independence*: This paradigm emphasizes the personal benefits of economic independence through self-employment. In this construct, policy becomes a vehicle to promote gender equality and alleviate poverty.

These policy perspectives are not mutually exclusive, but they do dictate different responses. While recognizing the validity of the second approach, Forum organizers chose to focus on women's entrepreneurship as an issue of economic development.

Research on Women Entrepreneurs

Although there is a large and growing body of research on women entrepreneurs, the results are far from conclusive. This section briefly describes the research challenges in explaining gender differences in business ownership.

Generally, gender differences in firm performance are explained in one of two ways:

- women face particular challenges because of their gender; or
- gender issues are the result of systemic effects related to the nature of women-owned firms.

Determining the validity of each explanation is not straightforward, for several reasons. First, there is a preponderance of descriptive surveys but few large, comparative studies about gender and firm ownership. Understanding gender barriers is impeded by a lack of (a) sex-segregated self-employment/business ownership data and (b) in-depth research on the dynamics of women's business ownership.

Second, it is difficult to distinguish between the two explanations. There is a need to understand *structural influences* (e.g., access to credit, networks), *firm characteristics* (e.g., age, size, sector, capitalization) and *owner differences* as they are reflected in management competencies and decision making (e.g., growth intentions, operational strategies).

Third, it is not easy to differentiate between historical and current practices. With few Canadian studies to draw on, there is a tendency to cite older, perhaps outdated work. Finally, policy makers and researchers are challenged by the lack of information about the participation of women in federal SME programs. As a result, little is known about the incremental impact of policies and programs aimed at helping women

business owners. This knowledge gap can result in policies and programs based on perceptions rather than facts.

Summary of Research Presentations

This section contains highlights of the research presented at the Forum,⁷ which reflected a variety of academic disciplines and viewpoints.⁸ A common conclusion of the research is that men and women experience self-employment and business ownership differently.

The research presentations have been organized into six categories:

- ❑ owner differences;
- ❑ firm differences;
- ❑ women and self-employment;
- ❑ Canadian programs and policies;
- ❑ international policies and programs; and
- ❑ research and evaluating programs and policies.

OWNER DIFFERENCES

Women bring less human capital to the business start-up than do their male counterparts

Jennifer Cliff and Devereaux Jennings (University of Alberta) presented research that examined (a) human capital (e.g., education and experience); (b) social capital (e.g., social status and social ties) and (c) firm performance. Performance was defined in several ways, including financial capital raised, number of employees and revenue per employee.

The team surveyed three populations: privately held firms, law firms and firms that had issued an initial public offering (IPO) on a Canadian stock market. Respondent firms were categorized as:

- ❑ no female owner/leadership;
- ❑ minority female owner/leadership (e.g., at least one female owner/leader but male Chief Executive Officer); and
- ❑ controlling female owner/leadership where the majority of owners/leaders were female and/or the Chief Executive Officer was female.

The researchers found that among privately held firms, female owners/leaders possessed less human capital than male owner/leaders, with no significant differences in social capital. In terms of resource acquisition, female owner/leader–controlled firms

⁷ Additional information about the research presentations is located on the Forum Web site (<http://sprott.carleton.ca/forum>).

⁸ While every attempt was made to be inclusive and to respond to the interests of participants, the lack of Canadian research in certain areas limited what could be incorporated into the Forum's agenda. For example, the Organizing Committee could not find research on Aboriginal women entrepreneurs.

began with a lower percentage of external financing and fewer employees. Female owner/leader–controlled firms also exhibited lower revenues and revenue per employee. Even firms with minority female owners/leaders performed poorly compared with male-controlled operations. However, when female owner/leaders possessed human and social capital equivalent to male owner/leaders, firms showed similar levels of resource acquisition and performance.

In the case of the surveyed law firms, male and female partners exhibited no significant differences in human or social capital. Furthermore, there was no evidence of a gender gap when considering the firms' performance.

Male and female owners/leaders of IPO firms demonstrated no significant differences in human or social capital. There were also no significant differences between male and female-controlled firms in the amount of capital raised (or the "IPO valuation"). Interestingly, minority-female firms had higher IPO valuations. In other words, firms with at least one female on the executive management team raised more capital on the stock exchange. The research team concluded that public investors do not discriminate against firms controlled by women and that public investors might even be placing a premium on top management teams that include at least one woman.

Female business owners weigh growth decision criteria differently

Summarizing an Ontario study about owners' growth intentions, Barbara Orser (Carleton University) noted four underlying motives for firm growth:

- personal development (e.g., sense of achievement, level of life satisfaction);
- domestic and/or family development (e.g., involvement of family members, need for earnings);
- socio-economic development (e.g., employment of others, community development); and
- desire to innovate (e.g., need to increase productivity, improve processes and develop new products).

The study also documented that business owners perceive firm growth to be associated with both positive and negative outcomes. The decision whether to pursue a growth objective involves trade-offs among financial and non-financial factors. These factors include:

- a sense of accomplishment (e.g., increased employee morale, employment creation, contribution to the community, professional recognition);
- increased personal demands (e.g., time away from family, challenges of balancing family/work, increased stress);
- personal support (e.g., spousal support);

- increased organizational tension (e.g., inability to monitor employees' work habits);
- need for organizational resources including time, administrative support, capital and key staff; and
- the opinions of influential people, such as business partners and clients.

Men and women exhibited strong similarities in how they arrived at the growth decision. However, women accorded more weight to the need for spousal support. They were also discouraged from pursuing growth by factors such as time away from family, the need for family/work balance and stress.

Female business owners define success differently

Barbara Orser also presented a study that examined perceptions of success among a group of business owners in western Canada. The research found “success” to be a multi-dimensional concept, one that reflects four underlying factors or driving forces:

- *Market acceptance*—attributes such as product or service quality, customer relationships, environmental impact and operating performance.
- *Personal fulfillment*—reflecting an interest in intellectual activities, spiritual well-being, professional autonomy, environmental impact and community relations.
- *Balance or personal welfare*—characterized as the need to maintain personal relationships and work–life balance, and to acquire personal goods.
- *Financial outcomes*—including firm profitability, generation of income and the firm’s operating performance.

Compared with men, women business owners placed significantly higher values on success criteria associated with *personal fulfillment* and *balance or personal welfare*. In other words, women are more likely than their male counterparts to value success criteria associated with personal dimensions. Gender differences were also noted in women’s higher scores of market acceptance (e.g., product or service quality, customer relationships, environmental impact).

These findings show that growth is only one aspect of firm performance, one that is not a priority for many business owners. Where policy seeks to encourage job creation and firm viability, women business owners tend to focus on both personal and professional criteria. It is reasonable to conclude that policies and programs targeting women business owners need to take into account *all* the perspectives, needs and strengths that women bring to operating a business.

FIRM DIFFERENCES

Traditional explanations fail to explain why women-owned businesses are less likely to export

Allan Riding (Carleton University) reported on a study based on Industry Canada's SME Financing Data Initiative (SME FDI). Gender differences were noted among 11.6 percent of the 1.5 million SMEs that export. Of approximately 976,000 firms owned primarily by men, 13.4 percent reported exporting during 2001.⁹ Of approximately 265,000 firms owned primarily by women, 6.9 percent reported exporting during 2001.¹⁰

It is not clear why gender differences in exporting behaviour exist. Traditional explanations include assumptions about firm size (women-owned firms tend to be smaller than those owned by men), sector (women tend to be more involved in services and retail, sectors that are less likely to export), growth orientation (women-owned firms are less likely to be growth-oriented) and access to capital. The study tested each explanation and came to the following conclusions:

- *Size of firm*—regardless of firm size, women-owned firms were less likely to export than were firms owned primarily by men.
- *Sector*—regardless of sector, women-owned firms were less likely to export than were firms owned primarily by men.
- *Growth orientation*—regardless of trends in sales growth, women-owned firms were less likely to export than were firms owned primarily by men.
- *Access to capital*—Male-owned exporter firms were more likely than female-owned firms to apply for credit. Yet, loan applications were more frequently approved for woman-owned exporter firms than for exporter firms owned by men.

The researcher suggested that, while the above hypotheses have been disproved, there remains the need to better understand why gender differences in exporting exist.

⁹ A firm was considered to export if the respondent answered "yes" to the following question: "During 2000, did the business sell or export its products or services outside Canada?" This definition does not include tourism as a form of export or situations where foreign purchasers acquired goods or services while in Canada.

¹⁰ Among all SMEs surveyed, exporting firms were concentrated in manufacturing (28 percent) and knowledge-based industries (22 percent). Primary sector SMEs are least likely to export (5.7 percent). Exporting is much more likely among larger firms. For example, 4 in 10 firms with more than 50 employees export. Low "average" frequency of exporting is a result of having so many firms (approximately 77 percent of the total) with fewer than 5 employees.

Women business owners cite gender-related barriers to exporting

Allan Riding presented research based on the (then) Department of Foreign Affairs and International Trade's WINEXPORT database. The data included (a) responses from 165 active exporters and 89 owners that were planning to export within one year, and (b) 56 in-depth interviews with active exporters.¹¹ Questions focused on how and why the women respondents began exporting, barriers to exporting and how owners overcome export barriers.¹²

Business owners were asked to describe how, if at all, gender influenced exporting. The majority (75 percent) articulated one or more gender influences. Of these responses, owner gender was perceived as an advantage for 11 percent of respondents. No gender differences were mentioned by 24 percent of the active women exporters interviewed. Among those that cited gender as a disadvantage, most focused on cultural and interpersonal challenges such as the perceived lack of respect from male business owners, bravado and chauvinism, limited professional networks and the perception that financial institutions are biased against women. Not being taken seriously was cited by 20 percent of the respondents. Interestingly, while the literature cites work–life balance and family as issues that confront women business owners, only 1 in 10 exporters identified family responsibilities as a limiting factor.

The research also examined the motives for and barriers to exporting. Thirty percent of respondent firms were “born global”—in other words, the owners intended to export at inception. The primary motive for exporting was firm growth. The decision also reflected the desire to expand markets, requests to respond to unsolicited bids and familiarity with the target market.

Among those business owners who were currently exporting, the majority could not articulate a clear statement of strategy regarding their export plan. Most owners relied on direct sales through personal contacts and (for mature exporters) joint ventures. In terms of the barriers to exporting, primary obstacles included the cost of developing foreign markets; lack of knowledge about foreign markets; and lack of knowledge about customs, duties and border information.

Gender differences in the capital structure of Canadian SMEs

Peter Webber (Industry Canada) presented a profile of the capitalization and financing activities of women-owned businesses.¹³ The report showed that clear gender differences exist (e.g., women-owned businesses are more concentrated in service industries than are their male-owned counterparts). In general, as businesses mature,

¹¹ For this research, women-owned firms were defined as firms with “at least one woman owner with authority to make business and export decisions.” The study did not include a control group of male exporters.

¹² See “Exporting as a Means of Growth for Women-owned firms” by Barbara Orser, Allan Riding and JoAnna Townsend in *The Journal of Small Business and Entrepreneurship*, vol. 17, no. 4, Summer 2004.

¹³ The presentation was based on findings from the *Small Business Financing Profile on Women Entrepreneurs*, released in November 2004 as part of Industry Canada's SME Financing Data Initiative.

owners turn more toward formal sources of financing (e.g., commercial credit, trade credit from suppliers, leasing). To varying degrees, this is true for both women and men entrepreneurs. However, unlike men, women entrepreneurs continue to finance their businesses to a greater extent with personal savings, personal credit instruments and other sources of informal financing. Higher usage of informal sources of financing was found to be consistent with the capitalization of smaller firms operating in service industries.

Women business owners were also found to make fewer requests for financing than men. When asked why, women suggested that the funding was not needed. The research also found that when women entrepreneurs do apply for formal sources of financing, they face similar approval rates and terms and conditions as men.

These findings are contrary to the widely held view that financial providers treat women and men entrepreneurs differently, either in access to or terms and conditions of financing. The research found that gender is not a determinant in securing financing for a small business.

While the terms of lending do not differ by gender, the length of owners' banking relationships does

Judith Madill (Carleton University) provided a review of Canadian and international research about potential gender differences in financing. The majority of studies found no gender differences in interest rates or loan refusal rates. She then presented findings based on Industry Canada's SME Financing Data Initiative. In summary, the study found that women-owned firms are more likely than male-owned firms to get their loan application approved but less likely to apply for a loan.

In terms of the reasons for loan turndown, women-owned firms are more likely than male-owned firms to be declined because of credit history and less likely to be declined because of insufficient funds. The study also examined loan application rates, type of credit, loan turndown rates and the history of owners' banking relationships.

- *Loan application rates*—Whereas 19 percent of male business owners had applied for credit during the past year, only 16.2 percent of female business owners had done so.
- *Type of credit*—When women do apply for financing, they are significantly more likely to apply for lines of credit than for term loans. The research then controlled for variables that affect the likelihood of applying for a loan. The findings indicate that older firms, home-based businesses and firms in the financial sector are significantly less likely to apply for a loan.
- *Loan turndown rates*—A predictive model of loan turndowns was developed. All things held equal, the model indicated that gender has no effect on loan turndown rates. Conversely, start-ups are almost five times

as likely as other firms to be turned down. Firms with declining sales are twice as likely to be turned down. Larger, older firms owned by individuals with relatively more business experience are less likely to be turned down for a loan.

- *Owners' banking relationships*—Male business owners had significantly longer working relationships with their bank. On average, male business owners had relationships that spanned 11.1 years compared with an average of 8.8 years for women business owners. Female business owners were significantly more likely to use the same financial institution for both their personal and commercial banking: 74 percent did so, compared with 69 percent of male business owners. Finally, the analysis showed that the length of the banking relationship had no significant effect on the loan turndown decision.

WOMEN AND SELF-EMPLOYMENT

Women's self-employment is increasingly diverse

Karen Hughes (University of Alberta) addressed policy approaches and issues requiring attention. Drawing on evidence from the 2000 *Survey of Self-Employment in Canada* (SSE), the 2000 *Changing Employment Relationships* survey, and an in-depth study of 61 Alberta women, she noted the following:

- *Growing diversity*—Women's self-employment is increasingly diverse, ranging from highly educated professionals to small home-based businesses in low-return sectors. Women's human capital, skills and motivations vary widely. One in five women is forced into self-employment. For others, independence, work–family balance and flexibility are strong motivators.
- *Job quality and economic security*—Self-employed women score highly on intrinsic job satisfaction, work commitment and work–family balance, but less well on income and security. While 20 percent of women in full-time self-employment earn relatively good incomes, 50 percent earn less than \$20,000 and are dissatisfied with their insecurity, income fluctuations, lack of benefits and exclusion from existing social security programs (e.g., Employment Insurance, maternity benefits). Addressing the distinct needs of these two groups is a key policy challenge.
- *Improving performance*—Training can play a key role in improving productivity and growth, as can skill transfer into less traditional, more profitable, sectors. According to the SSE, there is strong interest in formal and informal training but very unequal access. Cost and time constraints are significant barriers, especially for low income women. Systematic

research is needed on how to make training more effective and accessible.

- *Policy approaches*—The effectiveness of mainstream versus gender-based policy depends on the issue. Gender-based data and analysis are needed to determine the appropriate approach. Research needs to move beyond simply adding gender as a variable to broaden models of entrepreneurship that include business, family and household domains. An emphasis on new economic models is also needed to better capture the diversity of self-employed women.

Frances Woolley (Carleton University) also examined the changing profile and motives of self-employed women. Drawing from the 1996 census, she found that self-employment accounted for 20.7 percent of overall employment growth in the 1980s and 42.8 percent of employment growth in the 1990s. She also found that self-employed workers are more likely to be employed in craft/trades, management, sales and service, or professional sectors than are corporate workers; that four in ten (42.4 percent) work from home; and that very few (5 percent) self-employed women have employees.

Dr. Woolley argued that, for many women, self-employment is a matter of necessity. This reflects findings that the rate of self-employment increases during recessions and drops when the job market improves. The trend away from self-employment may, in part, reflect self-employed women's relatively low earnings. In 1996, half of self-employed women earned \$20,000 or less annually, compared with a quarter (23.2 percent) of women working for an employer. Self-employed women earn approximately \$0.60 for every dollar earned by self-employed men. Compared with wage earners, self-employed women spend disproportionately more time in unpaid work such as looking after children.

Policies to support self-employed women

Donna Lero (University of Guelph) presented a multi-phase study that examined the particular challenges facing self-employed women, such as a lack of employment insurance and other benefits, difficulty balancing work and family responsibilities, and access to insurance for injury and illness.

Most self-employed women are not eligible for maternity, sickness and compassionate care benefits. More than one-third of respondents had required leave for family or health reasons but were unable to take the time off. Other challenges when taking leave included reduced income while covering ongoing operating costs, finding suitable replacements, loss of clients and visibility, exhaustion, difficulty concentrating and finding affordable daycare.

The majority of self-employed workers did not have private short- or long-term disability insurance or health or dental plans. Low-income self-employed workers were least likely to have private insurance. As indicated earlier, self-employed women earn

less than their male counterparts. Women's average lower earnings were found to be attributable to a higher percentage of women than men working part time, disproportionate child-care and family responsibilities, lack of industry experience, and a high concentration of women in the service industries.

Four recommendations were discussed regarding government and private sector assistance for self-employed women:

- *Extend employment insurance special benefits to the self-employed*—Increase payable benefits to 70–75 percent of insurable earnings, raise ceilings and provide more flexibility regarding part-time work. Eligibility should be based on minimum gross earnings. Furthermore, additional methods to enable saving for these purposes is required (e.g., tax-sheltered savings).
- *Facilitate access to disability insurance*—One approach could be to encourage collaboration among national associations to build pools of self-employed workers, as larger pools of members are required to obtain disability insurance at lower premiums. Changes in CPP regulations would also allow part-time work when feasible to keep the business going and allow a gradual return to work. Other options for short-term disability and long-term disability coverage are required, including deducting premiums as a business expense.
- *Increase access to financing*—There is a need to identify under-serviced regions and gaps in services. Recommendations included access to low-interest micro-loans, graduated loan programs for start-up and bridge financing. This requires stronger links or partnerships between government and self-employment associations. The report also encouraged private lenders to increase their transparency and to provide more loans in the service sector.
- *Increase access to training, mentoring and information*—The report cited the need to increase knowledge transfer between providers and self-employed women. For example, information about alternative sources of financing and support should be posted on the Web sites of banks, credit unions and professional associations. The report also encouraged banks and associations to re-evaluate criteria for mentoring programs.

CANADIAN PROGRAMS AND PRACTICES

Micro-credit is not a panacea for accessing credit

Research by Toni Williams (York University) challenged perceptions about the value and impact of micro-credit lending programs. Micro-lending was defined as “a set of lending technologies designed to support start-ups and develop tiny businesses by

people from marginalized communities.” Formal micro-credit programs were introduced in the 1970s, entered Canada in the 1980s and proliferated during the early 1990s, with subsequent program retrenchment in the late 1990s.

Micro-loans are very small and highly structured. Most are supplied by specialized, non-profit organizations, backed by “unorthodox” risk management technologies. The purposes of micro-credit programs have been to increase access to credit, promote entrepreneurship, provide discipline and training for new micro-entrepreneurs, and empower women.

Programs are predicated on the assumption that poor women have inadequate access to credit to support their micro-entrepreneurial activities. Access barriers arise from information failure (e.g., information asymmetry, moral hazard and adverse selection), lack of assets (e.g., collateral, securities) and lack of credit histories.

A case history of the Calmeadow Foundation (1987–2000) was presented. The program evaluation found that micro-loans were characterized by low debtor recruitment rates, weak debtor retention rates and high debtor default rates. The research also documented:

- significant divergence between expected and realized demand;
- underestimation of implicit costs to debtors; and
- overestimation and misinterpretation of micro-entrepreneurship.

The study concluded that the program served the needs of a few women from marginalized communities by (re)establishing credit records and facilitating re-entry into mainstream credit markets. However, there was little discernable impact on access to credit for most micro-businesses.

The research suggested a need to refocus attention on the roles and responsibilities of established financial service providers (e.g., banks, community investment programs) and to develop alternative credit scoring models. Research about micro-entrepreneurs’ access to credit is also required.

The incremental impact of gender-based programs appears consistent with that of mainstream SME support initiatives

What is the impact of Canadian gender-specific programs and policies? Laura Small (Women Entrepreneurs of Saskatchewan Inc.) reported on a 2002 program review of Western Economic Diversification’s Women’s Enterprise Initiative (WEI). The WEI program comprises four agencies: Women’s Enterprise Society of British Columbia, Alberta Women Entrepreneurs, Women Entrepreneurs of Saskatchewan Inc. and Women’s Enterprise Centre of Manitoba. WEI’s core services include business advice (including one-on-one sessions with trained advisors), lending, information and referrals, business skills development, and networking and mentoring. The lending

program provides women business owners with up to \$100,000 in capital. The training is delivered through workshops, e-learning and self-study guides.

The 2002 program evaluation of client firms found a direct association between WEI advisory assistance and business development in 60 percent of cases. Furthermore:

- 6.6 percent of businesses added full-time employees;
- 11.0 percent of businesses added part-time employees;
- 14.1 percent of businesses reported increased sales; and
- 45 percent of businesses reported that they would not exist without the assistance of WEI training and coaching.

The results are consistent with those of other Canadian small business program evaluations. The study also found that men and women seek different types of business development assistance. When compared with male business owners, both WEI clients and a control group of women business owners prioritized outcomes such as evaluation of their skills, building self-confidence and improving strategic management practices. Conversely, male business owners prioritized operational skills such as improving strategic management skills and identifying opportunities for growth. These findings are unique, as few Canadian studies have examined program outcomes by gender.

INTERNATIONAL PRACTICES AND POLICIES

International comparisons of women-owned firms

Lois Stevenson (Industry Canada) presented an international perspective on women's entrepreneurship based on research from the Asia-Pacific Economic Cooperation, the European Union, the Organisation for Economic Cooperation and Development (OECD), the African Development Bank and the United Nations Economic Commission for Europe. The research found that women business owners cite common barriers to firm growth, including:

- lack of start-up financing;
- lack of management skills and access to business network opportunities;
- lack of opportunities to learn the practical issues of starting, surviving and growing their own enterprises;
- lack of adequate daycare; and
- lack of awareness among young women of entrepreneurship as a career option.

As a result, women business owners were found to start relatively smaller businesses, operate younger firms with fewer employees, and grow more slowly and to

lower levels. Consistent with Canadian findings, women:

- ❑ are less likely to export;
- ❑ have less formal management experience;
- ❑ are more likely to rely on personal networks for advice;
- ❑ are less likely to “identify with” entrepreneurship as a career option;
- ❑ perceive additional constraints such as less social capital, lack of access to resources and increased family responsibilities;
- ❑ operate firms that have lower levels of capitalization; and
- ❑ are under-represented users of small business support services.

Three international experts (Julie Weeks, National Women’s Business Council, US Small Business Administration), Virginia Littlejohn (Quantum Leaps Inc., Washington) and Jackie Brierton (Department of Trade and Industry, United Kingdom) shared findings from their respective agencies.

National Women’s Business Council

Julie Weeks summarized common challenges for women business owners, including:

- ❑ access to capital;
- ❑ access to education/information/training;
- ❑ access to networks;
- ❑ access to markets; and
- ❑ recognition as a contributor to economic vitality and growth.

She then discussed the lessons learned from the US experience in supporting women’s entrepreneurship. The following recommendations are drawn from her 2002 publication *Support for Women’s Enterprise in the United States: Lessons Learned*.

1. Ideally, the impetus for action and implementation should come from the women business owner community. Neither public sector agencies nor non-governmental supporting organizations have the drive, the enthusiasm or the sustained commitment necessary to persist through changes in political leadership.
2. Sustainable support for women’s business development, however, can only be achieved if there is involvement not only from women business owners and their organizations but also from government and from non-governmental organizations supporting enterprise development. These key groups form a “three-legged stool” of support for women’s business development; the absence of any one of them will significantly lessen the ability to achieve sustained change.

3. Having accurate, reliable and timely research-based information is a critical component in making the case for policy action and for monitoring progress (or lack thereof). Gender disaggregated government business information is extremely important, as is survey research information on the characteristics and challenges faced by women (and men) business owners. Research is a vitally important tool for both program development and public policy action.

Quantum Leaps, Inc.

Virginia Littlejohn outlined Quantum Leaps Inc.'s¹⁴ mandate as “[being] a global accelerator of women’s entrepreneurship.” The need for this kind of organization is reflected in the following observations:

- ❑ entrepreneurial gender differences are not well understood;
- ❑ most countries have poor statistics on women’s entrepreneurship;
- ❑ there are no consistent metrics for measuring the social and economic impact of women’s entrepreneurship;
- ❑ key actors are poorly networked and often have not shared learning; and
- ❑ the links between research, policy, action, practice and evaluation are missing.

This private sector organization is unique in providing stakeholders with online platforms for knowledge networks, e-learning, cross-pollination of ideas, and diffusion of knowledge and best practices. The organization also encourages the global sharing of strategies, tactics and action plans, and strategic utilization of face-to-face training, conferences and policy-making forums.

A Strategic Framework for Women’s Enterprise

Jackie Brierton indicated that early efforts in the United Kingdom to support women business owners resulted in a piecemeal approach throughout the 1980s and 1990s. Most were “grassroots,” local or regional. In 2000, policy efforts began to focus on the need to support women business owners more strategically. This resulted in the establishment of a women’s enterprise unit within the Department of Trade and Industry’s Small Business Service and of cross-government policy groups with high-level ministerial commitment. Consultations with stakeholders across the public, private and voluntary sectors were undertaken, and the *Strategic Framework for Women’s Enterprise* was launched in May 2003.

The framework emphasized the long-term cultural and social change needed to improve women’s business ownership in the United Kingdom; provided the cross-government policy and research context, with emphasis on the need for effective cross-cutting of issues; and highlighted the need to provide improved mainstream business support services along with targeted provisions. It also:

¹⁴ Formerly known as Project Tsunami.

- encouraged inclusive women’s enterprise partnerships at the local, regional and national levels;
- provided practical advice/guidelines for business support agencies and others; and
- quantified specific targets for achievement.¹⁵

The framework has been successful in galvanizing support and commitment to the development of women’s entrepreneurship and current policy priorities including: access to financing; data collection and research; regional advocacy; central government commitment with a resource base; child-care strategy; access to markets, building on procurement pilots; and the development of stronger targeted women’s enterprise initiatives.

RESEARCH AND EVALUATING PROGRAMS AND POLICIES

Lois Stevenson (Industry Canada) and Barbara Orser (Carleton University) shared observations that there is little Canadian evidence regarding the degree to which current government programs meet the needs of women business owners.

Lois Stevenson’s observations were drawn from an international review of gender-based government support initiatives among 13 OECD countries. Evaluation criteria used in the study included the presence of:

- a women’s entrepreneurship policy framework;
- women’s advisory networks;
- an advocacy office for women business owners;
- targeted promotions;
- women entrepreneur centres (e.g., provision of counselling, training, micro-loans);
- a women business owners association;
- a gender-based Web site;
- gender-based trade missions; and
- research about women entrepreneurs.

Barbara Orser discussed a “gender-sensitive evaluation framework.” The framework categorized levels of government commitment to support women business owners, including both proactive and passive strategies.

¹⁵ These targets include increasing, by 2006, the percentage of women-owned businesses to “18–20% of total UK businesses”; women’s participation in government programs (“women will account for 40% of customers using government-sponsored business support services”); and the proportion of women from ethnic minority communities receiving business support assistance so that it is “proportionate to the relevant local/regional population.”

Proactive strategies are characterized by:

- executive-level involvement in identifying gender-related barriers to SME start-up and growth;
- monitoring the effective execution of policies and programs to support the creation and growth of women-owned businesses;
- delivery agencies that are aware, sympathetic and responsive to potential gender differences (e.g., being taken seriously, management experience, growth aspirations);
- program priorities and outcomes that reflect the concerns of women (e.g., personal, social and commercial interests); and
- program monitoring and reporting on the equitable inclusion of women.

Passive strategies are characterized by policies that are based on the assumption that male and female business owners have similar needs. Hence, women are served through existing programs and services. Potential gender differences play little or no role in policy making.

The above observations echo the findings of international agencies such as the European Commission, the OECD and the National Women's Business Council.¹⁶ For example, the European Commission suggests that the lack of current research impedes effective SME program and policy development, and undermines the validity and credibility of both mainstream and gender-focused programs.

Both the Stevenson and Orser studies call for better SME program evaluation in order to verify the reasons for women-focused programs; determine whether the needs and/or problems of women entrepreneurs are addressed; and improve accountability for all business owners. Such information would assist in the creation of a more efficient support mechanism for all business owners.

Similarly, guidelines are required to ensure that future research on women business owners is rigorous and methodologically sound.

SME research about gender and performance must consider “the firm as a whole”

Eileen Fischer (York University) and Becky Reuber (University of Toronto) outlined a research agenda for addressing unresolved questions about women-owned firms with an emphasis on exporting. The researchers argued that future research must consider exporting in the context of “the firm as a whole.” Sample research questions included:

¹⁶ See *Good Practices in the Promotion of Female Entrepreneurship. Examples from Europe and Other OECD Countries*. Vienna: European Commission and the Austrian Institute for Small Business Research, 2002; *Promoting entrepreneurship amongst women. Best Reports, No 2-2004*. European Commission Enterprise Directorate-General; *Best Practices in Supporting Women's Entrepreneurship in the United States: A Compendium of Public and Private Sector Organizations and Initiatives*. Washington: The National Women's Business Council, June 2004; *The Keys for Successful Women Entrepreneurs*. The OECD Bologna Process, OECD, December 2002.

- What firm/individual factors cause women's firms to under-perform?
- What is the experience of men and women as exporters?
- What are the key institutional structures shaping exporting?

Future studies should focus on the following priorities.

1. Determine whether women, compared with men, operate similar firms (e.g., begin exporting later or earlier, export a smaller or larger percentage of their goods and services when they do export, and export more or less profitably).
2. Identify, from the broader literature on exporting by SMEs, those factors most likely to account for differences that "disadvantage" women's firms. This requires the examination of key firm and management factors affecting the propensity to export. Preliminary factors may include:
 - *firm facilitators* (e.g., unsolicited foreign orders, internationally networked board, partners, customers);
 - *firm barriers* (e.g., lack of qualified personnel, lack of production capacity, lack of financing);
 - *management facilitators* (e.g., prior exporting/international experience, pro-active cognitive frame, management barriers [e.g., insufficient time]);
 - *firm factors* (e.g., breadth, depth and speed of learning; diversity of geographic markets served; number of geographic markets served; strategic adaptation to market); and
 - *management factors* (e.g., industry experience).

In addition to examining factors identified in prior research, future studies should not use women-only samples as one cannot draw conclusions about gender differences or the reasons behind them. Future studies should also use longitudinal data because research based on data collected at one point in time cannot determine causation or examine growth processes.

Priorities for Action

Armed with the information presented during the plenary sessions and with summaries of all of the breakout sessions, the conference delegates discussed recommendations. Specifically, they were asked to rank their priorities for action and submit their top three.

The recommendations that follow are based on the roundtable discussions and written submissions provided by the Forum participants. Their range illustrates the diversity of views on the issue of women's entrepreneurship. Although several recommendations focused on broader small business and entrepreneurship concerns, this summary highlights those recommendations that pertained specifically to women's enterprise development.

RESEARCH RECOMMENDATIONS

1. *Collect data on women's participation in all federal SME programs*

The lack of reliable data about women's knowledge and use of SME programs was identified early in the Forum. Currently, there is little information regarding the number of women using federal SME support programs, owner and firm characteristics, and satisfaction with existing programs. Because of this lack of data, there is little evidence about the incremental impacts of existing policies and programs on women's entrepreneurship. It was recommended that data on program use be collected on the basis of gender using a consistent definition of a "woman-owned business." This information should be made available by all federal departments and agencies with SME programs to facilitate comparable gender-based research.

2. *Data must reflect the heterogeneous nature of women's entrepreneurship*

Women business owners are not a homogeneous group. The assumption cannot be made that women's needs are identical and that all women benefit equally from existing SME policies and programs. Consequently, program evaluations should reflect the diverse nature of women's entrepreneurship. To do so, data should be disaggregated by owner characteristics (e.g., gender, visible minority, First Nations, recent immigrant, age) and business characteristics (e.g., sector, stage of maturation or growth, size, location). In many instances, these characteristics significantly influence the experience of business owners in SME training programs.

3. *Identify and report on studies about women business owners*

Sustaining the Momentum afforded policy makers, researchers, women business owners and service providers the opportunity to meet and share information. Many participants expressed surprise about the amount and breadth of Canadian research on

women entrepreneurs. The suggestion was made that an inventory of current and ongoing research be compiled.

4. *Undertake more rigorous research on women business owners*

Much of the existing research on women entrepreneurs is descriptive, short-term or cross-sectional, and/or based on small, convenient samples. Although descriptive research is often a necessary first step to identify challenges and gaps, more rigorous research is now required. Without first knowing the “what” (through descriptive research), one cannot undertake to explore the “why” (through hypothesis-testing research).

Research that uses women-only samples cannot draw conclusions about gender differences or the reasons behind them. Hence, many important questions remain unanswered. For example, it is not clear why the incidence rate of women’s participation in business ownership has increased significantly over the last 20 years, yet there remain significant age differences in male- and female-owned firms. Potential gender differences in exiting the entrepreneurial process have not been examined (e.g., length of survival, reason for exit [forced or voluntary], earnings after exit). These and other questions require rigorous, longitudinal study. If researchers and policy makers are to better understand the interaction between gender and firm performance, changes to current research approaches are required.

5. *Undertake research about gender and small business financing*

Much of the research presented at the Forum disputed common perceptions about the capitalization of women-owned firms. In-depth research to better understand the effect of gender in the context of firm financing was recommended. Furthermore, much of the existing research has focused on debt financing. Research is required to examine other aspects of financing, including bootstrapping, informal equity and venture capital. The influence of fiscal policies and small business support programs on access to capital also requires study. Participants called for greater private sector participation in research about SME financing. Hence, there was considerable interest in undertaking collaborative research related to the financing of small businesses and women’s banking experiences. Suggestions were also made about the need for researchers to consider new research paradigms.

3. *Establish a fund for research about women entrepreneurs*

Community–University Research Alliances (CURAs) are partnerships between community organizations and universities intended to foster innovative research, training and the creation of new knowledge in areas of importance for Canadian social, cultural or economic development. CURAs receive research funding of up to \$200,000 annually, for up to five years. It was suggested that two CURAs be established, one for research on women entrepreneurs and one for self-employment.

POLICY AND PROGRAM RECOMMENDATIONS

1. *Establish program evaluation criteria at the inception of policies and programs*

It was suggested that program evaluation criteria be established at the inception of policies and programs. Such information would include program objectives, program reach and measures of program effectiveness. The result would be evidence-based decision making and greater accountability for public spending. A related recommendation was to benchmark Canadian SME programs against those identified as international “best practices” to determine where improvements could be made.

2. *Policy makers must recognize that a one-size-fits-all approach to small business development is insufficient*

Several research presentations dealt with business owners’ perceptions of success, growth intentions and decision making. The results suggest that many women-owned businesses define success and pursue growth differently than do their male counterparts. Policy makers may be unaware of such differences and therefore assume that owners’ priorities are economic development objectives (e.g., job and wealth creation). Existing policies and training programs do not necessarily correspond to women business owners’ motives. Consequently, it was recommended that the policy community recognize that a one-size-fits-all approach to small business and entrepreneurship development may be insufficient.

3. *Improve the coordination of federal initiatives on women’s entrepreneurship*

Delegates expressed concern about the piecemeal approach (based on individual department and agency mandates) to developing women’s entrepreneurship. This was seen as less than optimal. Participants recommended that a mechanism be put in place to provide horizontal coordination of federal policy and program development. It was also suggested that such a process would help eliminate duplication and overlap. An interdepartmental oversight committee should therefore be tasked with developing a comprehensive framework for women entrepreneurs. Subcommittees could be created to deal with firms at different stages of development and their attendant needs. These committees should communicate and consult often with women business owners, researchers, all orders of government and service providers. Increased federal communication and coordination could help identify where the need for government action is greatest and the scope of the challenges. Issues could then be addressed on a priority basis.

4. *Create an Office of Women’s Business Ownership*

It was suggested that an office of women’s business ownership be created to oversee the federal women’s entrepreneurship file. It was also suggested this agency

be granted sufficient power to reach into different federal agencies to ensure that initiatives are implemented.

5. *Create an Advisory Council on Women's Entrepreneurship*

It was proposed that an ongoing women's advisory council be created to advise the federal government on issues related to women entrepreneurs and to advocate on their behalf. It was also recommended that this advisory council report directly to the Prime Minister.

6. *Establish Women's Enterprise Centres in Ontario*

Participants noted that there is currently no women's enterprise centre in Ontario. It was suggested that consideration be given to establishing one outside of the Greater Toronto Area. It was also suggested that an Aboriginal Women's Business Centre be created. In doing so, it was recommended that these centres be established using existing SME support infrastructure and women business owner associations.

7. *Make delivery agencies accountable for women's participation in their programs*

In discussing program delivery broadly, some participants felt that specific targets should be established for program delivery and that these targets should recognize the diversity of women business owners, and specifically disadvantaged women. Some participants also suggested that each government department be required to develop a women's entrepreneurship strategy and be held accountable for its implementation.

Views were also expressed that the current federal approach of general application programs works well and that the issue lies more in ensuring that existing programs are better promoted to women entrepreneurs. There is a need to use more direct communication channels to reach women business owners. This led to the recommendations that federal departments and agencies establish strategies for communicating program offerings to women entrepreneurs and set tangible program awareness objectives.

8. *Develop gender-based programs to support women business owners*

There were several specific suggestions, including the creation a national program for women exporters. In implementing such a program, policy makers should consider existing programs and services offered by the Export Development Canada (EDC) and International Trade Canada (ITC). Another policy recommendation called for the development of a national framework for skills development for women entrepreneurs. Again, this would require a consideration of work already under way by federal and provincial departments and agencies. Finally, it was suggested that the federal government allocate resources for micro-credit and lending circles.

9. *Establish more supportive family policies and benefits for self-employed women*

The issue of better support for the self-employed generated several recommendations. The overall message was that benefits provided under the current Employment Insurance program (specifically, maternity, disability and compassion care benefits) be extended to self-employed women. This would ensure that self-employed women have access to the same benefits as do other workers. Given that women remain the primary caregivers for children, a recommendation was put forward that the federal government develop a national early learning and early childhood strategy that would provide high-quality, affordable and accessible child care.

10. *Establish a procurement program for women business owners*

Two recommendations were put forward related to procurement. One is that the federal government report on the number and amount of procurement contracts granted to SMEs, women-owned businesses and Aboriginal businesses. Presumably, this would allow agencies to measure the effectiveness of outreach programs for these target groups run by Public Works and Government Services Canada. The second recommendation was to create a set-aside procurement program for women business owners similar to that operating in the United States.

COMMUNICATIONS AND PARTNERSHIPS

1. *Establish a portal or clearinghouse of information of interest for women business owners*

Participants noted that the challenge for policy makers lies not only in policy and program development, but also in ensuring that women business owners are aware of existing assistance. In this regard, it was suggested that the federal government make better use of Web technologies.¹⁷ Several participants recommended the creation of a Web portal exclusively on women entrepreneurs that could be housed on Strategis, an Industry Canada Web site containing business and consumer information (<http://strategis.gc.ca>). Other participants sought the creation of a clearinghouse of information on women entrepreneurs that would include research, data and information on women's business organizations.

Also of interest was information on alternative sources of financing and support on the Web sites of banks, credit unions and business associations. The Web site "Sources of Financing" housed on Strategis may be the answer to this recommendation, as it currently provides information on topics related to financing, ranging from micro-credit to venture capital.

¹⁷ Web sites such as Business Gateway (<http://businessgateway.ca>), Managing for Business Success (<http://strategis.ic.gc.ca/sme-management>) and that of the Canada Business Services Centres (<http://cbsc.org>) currently present a wide array of business information for small business owners, including information about programs and resources for women entrepreneurs.

2. Disseminate research on women's entrepreneurship

It was recommended that all federal departments disseminate their existing research on women entrepreneurs, as Industry Canada's Small Business Policy Branch does so through the Strategis Web site.

3. Showcase the diverse nature of women's entrepreneurship

Delegates suggested that federal publications and marketing tools show positive female role models working in non-traditional areas.

4. Facilitate communication across business women's associations

Several speakers emphasized the importance of a concerted voice when advocating for women entrepreneurs. To this end, it was recommended that mechanisms be put in place to facilitate and promote communication across business women's associations with a view to create more provincial and national organizations.

And finally, the structure and content of *Sustaining the Momentum* was well received by the participants, some of whom suggested that a research and policy forum on women entrepreneurs be held every year.