

Capacity Building Needs for Female Entrepreneurs in the Northern Periphery and Arctic

W-POWER project

2019



W-Power

Capacity building needs for woman entrepreneurs in the Northern Periphery and Arctic

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W-POWER Project 2019



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Background

The W-POWER project aims for equal growth and increase in the contribution of women to regional economy in sparsely populated Northern and Arctic communities, as women leaving the North is one of the main challenges to beat in the region. All project partner regions suffer from similar challenges caused by peripherality, which creates a strong argument for transnational cooperation. Project makes a difference for rural businesses by providing transnational learning and capacity building possibilities, but also creating new business concepts and support mechanisms. W-POWER creates new start-ups, helps to take the next step of maturity from start-up, and supports the growing phase of existing SMEs. In addition, business advisory bodies will get new tools for gender-sensitive coaching and diversity management.

Project objectives include capacity building of women entrepreneurs, improvement of gender-related business advisory services, and encouragement for self-employment in sparsely populated communities. Development work of W-POWER is based on actual needs, joint collaboration and close engagement with key stakeholders in a quadruple-helix manner. Project partnership is versatile and covers most of the NPA regions. Perspective of the project development work is far beyond the project lifetime, thus resulting longlasting outputs. As a result, greater understanding of regional and transnational barriers which impact negatively on women entrepreneurs will be reached, as well as mechanisms to overcome the barriers.

Project implementation is divided to four work packages:

T1: Improvement of regional business environment

T2: Transnational learning

T3: Gender-sensitive coaching concept

T4: innovation platform for new pre-startups.

W-POWER supports the implementation of key EU and national policies related to empowerment of women entrepreneurship. The project also takes into account the Arctic Dimension and horizontal principles.

One of the project activities has been to provide a *Baseline pre-survey* to map specific needs for upskilling and capacity building of women entrepreneurs when starting and running a business. The survey was delivered in all project regions. In total, 178 women entrepreneurs have responded. The answers summarised in this report will play an important role in the development of a pilot *Transnational learning platform* for women entrepreneurs.

The pre-survey included the following nine (9) questions:



1. Why did you choose to become an entrepreneur?
2. What skills did you need most when starting your business?
3. Were there particular challenges in starting your business
 - a) in a rural/sparsely populated area?
 - b) as a woman?
4. Are there particular challenges in running your business?
 - a) in a rural/sparsely populated area?
 - b) as a woman?
5. Did you feel there were particular opportunities/benefits of starting your business?
 - a) in a rural/sparsely populated area?
 - b) as a woman?
6. Do you feel there are particular opportunities/benefits of running your business?
 - a) in a rural/sparsely populated area?
 - b) as a woman?
7. Is there anything you lack today that would make managing your business easier, such as skills development, networks, role models, support, finance?
8. Do you think women who start a business have different business support needs from men?
9. What knowledge and experience do you have which you would be interested in sharing with other female entrepreneurs?

This report provides an overview of the answers given region by region. It highlights first and foremost the perceived needs and challenges as well as needs for upskilling when starting and running a business, but also tries to give a brief summary of the answers on remaining survey questions.

For a more comprehensive look on regional aspects and answers, please consult the different regional analysis reports, accessible via Petra Holmbom, petra.holmbom@strukturem.se.



Summary of answers - region by region

Eastern Finland

The survey was distributed via Karelia UAS´and Business Joensuu's network and stakeholders of the project and it reached 31 eligible respondents in Eastern Finland.

Most respondents were sole proprietors, as out of the 30 respondents, 63,33% had established their business alone and most of the companies were relatively young businesses, started in 2017 or later. More than half of respondents (56,67%) answered that they were full-time entrepreneurs, while 40% were part-time entrepreneurs.

The survey shows that the motivation in running a business as a woman in Eastern Finland is go toward their own goals, being their own boss, and the willingness to improve the quality of life.

The greatest challenges in starting and running a business had been doing the financial calculations and several of the entrepreneurs had needed and used help from organisations to manage those steps in the business start. Other challenges in starting and running business in a rural area based on the survey had been marketing and selling to reach new costumers. Some entrepreneurs had felt that they have been underestimated because of their gender and other challenges were lack of network opportunities, time and financial issues.

The opportunities and benefits from running a business in a rural area in Eastern Finland especially seems to be to not having any or less local competition and receiving funding more easily. Other reasons were that in a rural area it is easier to get in contact with each other and to make business out of good reputation. Word-of -mouth also works well. And not to forget, all the positive experience of thankful and content costumers that bring good energy and motivation to keep running a business in a rural area.

The women entrepreneurs' most needed upskilling themes for strengthening their business were digital marketing, marketing and networking.

In terms of gender specific support there were answers both for and against gender specific support service and opinions why they are, or are not, needed.

"For business development more female business support providers needed."



"Improving the status of women requires changes in attitude. Many professionals in service sector or customers are not even aware of their behavior which shows that they prefer male entrepreneurs or trust men more".

"I have not noticed needs for especially gender specific services. But I was surprised how conservative thinking is here in Eastern Finland, equality is to be worked on. Support from colleagues has been valuable when being an entrepreneur".

"In my opinion there are not any difference in male/female entrepreneurship in my field. All are equal as employees and customers.

Some women meant that there are differences between how women and men are treated as entrepreneurs and some stated that it is time to change the structures and blur the boundaries between the genders and focus more on entrepreneurship itself.

Both sides emphasise that it affects whether you are a man or a woman running a business and it is sometimes noticed through the treatment and outdated attitudes. Despite this, many of the female entrepreneurs in eastern Finland find that they have received good support and help locally.

Finnish Lapland

The survey was distributed by Lapland University of Applied Sciences in Rovaniemi. 21 answers were received. Most of respondents had established their company between 1962 and 2019. For 71,43% of the respondents, entrepreneurship is a full-time job.

The biggest reason and motivation in running a business as a woman in Finnish Lapland is the ability to be independent, be ones own boss and better work-life balance.

The greatest challenges in starting a business had been to find funding as a part-time entrepreneur, to find customers and to find balance between family and business. There were also respondents that highlighted the fact that women have challenges as entrepreneurs in certain business areas and as a woman entrepreneur not always taken seriously compared to male entrepreneurs.

The challenges in running a business in a rural area are long distance to attend events and workshops (bad public transportation), advertisement,



different rules (border barriers) between Norway and Finland. The closest big city to sell products is in Norway, but it is difficult to cross borders.

The opportunities and benefits from running a business in a rural area in the Fin Lapland are nature and location is exotic, that everybody knows each other and a lot of positive feedback from customers. As a woman you have the benefit and opportunity to join the local woman enterprise network.

The women entrepreneurs' most needed upskilling themes for strengthening their businesses were social media in marketing and advertising, creating and updating home page and financial help as for example calculations.

About gender specific support there is need for more support with accounting and technical issues, more financial support and more networking and mentoring with woman. All this to strengthen the women entrepreneurs to dare to invest in their company at the same level men do.

Ireland

The survey, distributed by Innovation and Management Centre CLG T/A WestBIC, was circulated in the western region of Ireland to gather responses from women entrepreneurs, both those at the beginning of their journey into entrepreneurship, and those who already are established. There were in total 23 respondents and most of them (60,87%) were in the 46-60 years of age range.

The entrepreneurial motivation in the sparsely populated area of West of Ireland was very individual but the top answer was the ability to be independent, be in charge and be creative, better earning potential. Other reasons were for example frustration in a job, being limited and lack of opportunities to progress, have identified a specific product or service gap in the market, better work-life balance and flexibility around family life.

In terms of challenges in starting business in a rural area from a perspective of a woman entrepreneur, the answer was that you have to try harder as a woman entrepreneur (as a woman you have to work and focus harder than male entrepreneurs to get started and to been taken seriously) and as a woman you can meet a patronising and dismissive attitude. They also experienced less access to support and join events and workshops because they were often



urban based and therefore harder to attend to. Another big challenge for the female entrepreneurs in the area was the balance between family and work.

The challenges in running a business in a rural area are long travel times to attend any events and/or supports or facilitate client/visits/meetings (large amount of wasted unproductive time due to travel) and also the challenges getting inside networks and business areas dominated by men.

The opportunities and benefits of running a business in a rural area in West of Ireland were access to rural and/or women entrepreneurship-oriented supports and funding, better balance of life because of the flexibility, better and closer networks and lowers costs for the business and private.

The areas in which the entrepreneurs need skills development are how to get finance and how to get in contact with potential investors. There are also needs for education and more knowledge in product development and sales and marketing.

Another wish is to have a mentor or role model to develop the business. This is also seen in the question about gender specific support needs. Many respondents said that they need more mentoring and networking support for better confidence building. There is also a need for more child care or change in society's structure concerning the responsibility for the children, this mostly being the women's responsibility and therefore makes it harder for women to run a company.

Scotland

The survey was distributed jointly by Highland and Island Enterprises to respondents in the Highlands and Islands region. In total there was 37 respondents. The majority of respondents were in the 46-60 years age group (49%).

The most commonly cited reason (by far the strongest reason why the respondents chose to become an entrepreneur) for starting a business was lack of other options. The second most commonly mentioned reason was the strong desire to own my own business, to fit around caring responsibilities and as a challenge/to develop a career.

The challenges in Scotland are very similar those on Ireland. They also struggle with the distance to markets and to business opportunities such as



networking, events and workshops. The long distances increase the costs and steal a lot of working time. Lack of broadband is also an issue for the area.

The biggest benefit attributed by women entrepreneurs to the area which they ran their business was a source of inspiration or a key marketing tool which added value to the business. Less competition was the second main benefit cited and after that there were several individual answers such as local support but also higher quality of life when being your own boss. Some women felt there were no opportunities or benefits of being a woman setting up a business.

Access to business finance was by far the most commonly cited need amongst female entrepreneurs which they stated would help make running their business easier. 63% of respondents identified it as an issue. General lack of support and lack of a role model or mentor was as in Ireland also a thing that would be good to look over to make it for the better for the women who run companies.

Iceland

Most of the entrepreneurs responding are between 31-45 years old (50%). The survey was distributed by Innovation Center Iceland, mainly to the target group living in the North east area. 25 answers were received.

The motivation to become an entrepreneur was very individual, but passion for a product/service I make myself, the will to be my own boss and to try something new were the ones mostly mentioned.

Challenges in starting a business were few. Half of the answers stated that there were no challenges in the upstart process and the rest referred to having lack of knowledge in starting a business and the lack of network and not knowing the right people. The entrepreneurs seem to have very few challenges running a business in a rural/sparsely populated area. 45% answered there were no challenges and 85% answered there were no challenges as a woman. The top answer after that was the challenge being far from the market, more opportunities in the capital and lack of facilities.

When asked upon whether there were particular opportunities/benefits of running a business in a rural/sparsely populated area in Iceland (as a woman), the answer was a strong no. 95% answered that there are no particular opportunities/benefits running as a woman entrepreneur.



Skills that are needed to make the businesses more successful are digital marketing, network and finance.

The top answer for the question if women who start a business have different business support needs from men, was that they need more motivation. It can also be helpful for women to have more role models and to learn how to network.

Shetland and Orkney

The survey was delivered by Pure Energy Center to respondents in the area of Shetland and Orkney and there were 9 respondents. The majority of respondents were in the 31-45 years age group (66,67%).

The motivation to become an entrepreneur was the will to run my own business, stay in the community and create a job but also the will to have joy in work.

Challenges in starting business in this geographical area were having access to markets and networks, marketing themselves, the cost of exporting and importing goods. The challenges running a business were that it requires more effort managing/juggling family, fewer choices for advisors, accountants and banks, travel costs are high.

The opportunities and benefits of running a business in a rural area in Shetland and Orkney are the fantastic nature that serves as a USP in marketing the business, the power of "word of mouth", good support and free courses and advice in business.

Sweden

The survey was distributed via Strukturm to potential respondents in Jokkmokk and the region. In total, 32 answers were received. Most of them (43,75%) were in the 46-60 age range.

The most commonly cited reasons why the respondents chose to become an entrepreneur/start a business were to be able to work with my passion/interest, be my own boss and to be independent and able to be in control of my time and for the will to stay, live and, (especially for respondents from Jokkmokk), continue working in the community.



The challenges to start a business in Jokkmokk and as a woman were low customer density, challenges as a woman to take position in industries dominated by men such as reindeer herder and sami crafts, harder for women to get finance and support from bank and to be able to charge for their work. 56% answered there was no particular challenges in running a business as a woman in a rural/sparsely populated area. The rest of the answers were very individual but the majority was about the difficulties to take place/get into business networks and be taken seriously as an entrepreneur in a society where men's companies are valued higher. Also challenges in balancing life because most of the responsibility of family and childcare lies with the women. One thing that stands out among Jokkmokks answers is that many women (in reindeer herding families) are responsible for the family's main income and therefore dare not take the risk of running businesses and losing their regular income.

The opportunities and benefits of running a business in a rural area in the north of Sweden is the unique position and exotic nature (especially good for tourism companies), to be able to live on a calm place and to work with my passion and the benefit to having low rental costs. The northern part of Sweden also offers good help and support when you start and when you run a business. Skills that are needed are more education and help around business finance, networks (in general but also a need for particular female networks), more advice and coaching/mentoring/role models.

About gender specific support there are need for more support and inspiration to strengthen women's entrepreneurship and women's self-confidence, more networks and various types of skills development (marketing, the right pricing and dare to charge for their work, accounting, brand building).

Canada

The survey was delivered by the Women in Business to respondents in New Brunswick. In total, 11 answers were received. A majority of respondents, 63.6%, were found in the age group 46-60 years.

The reasons mentioned why the Canadian respondents chose to go into business are quite widespread. For some, it has to do with better (own) management of their time, lifestyle choices and careers, while for some it is either a matter of timing; a former owner deciding to sell, a company deciding to close down, or a 'fulfilling one's dream' decision, following one's entrepreneurial mind. Entrepreneurship as an option to create one's own job in the region is also mentioned.



A couple of respondents also mention the ambition to do something of good value for the community, be it through social entrepreneurship or by other ways to make a difference.

Regarding which skills are needed, skills focussing on financial issues (accounting, price setting, 'numbers crunching') are the ones mentioned the most. Secondly, skills related to starting and running a business such as goal setting, value proposition, markets, marketing and PR, strategic thinking and risk management are mentioned. But also issues like personal development, self confidence and how to build your professional network are important. Some respondents also mention the need for mentors as a success factor.

It seems that more than half of the Canadian respondents did experience challenges related to being a woman when starting a business. Intimidating questions, feeling underestimated, lack of credibility and not being taken seriously in issues such as financing and negotiating are some answers that well describe the situation. However, some women did not experience any specific challenges related to being a woman. One of the respondents highlighted the fact that being a woman was an advantage as she offered a service that, due to being a woman, was considered an asset on the market. Challenges related to rurality are mainly about distance; far away from market, competence, labor, networks. On the other hand, running a business in a rural area also has positive effects; trust, easy to spread the word and promote a good reputation, low level of unprofitable 'walk in traffic', few competitors.

Needs mentioned for upskilling and development according to respondents mainly focus on the need for role models and networks for and by women entrepreneurs. Also financing, human resources and technology are mentioned as areas for improved knowledge.

Conclusions

Upskilling Needs

According to the group of respondents, the *most relevant upskilling needs* seem to be:

- Marketing, digital marketing



- Social media
- Learn more about, and to develop, networking
- Financial issues – financing, funding, accounting
- Business calculation
- How to find funding and investors.

Upskilling needs region by region are summarized in Appendix 1.

Challenges in Starting and Running Business as a woman in rural/sparsely populated areas

To do the financial calculations, to find customers and to find funding were stated as the hardest challenges when starting the business. Also marketing and lack of knowledge in starting a business are challenging, especially when women feel that they are not always taken as seriously as entrepreneurs who are men. Old structures and networks dominated by men do not make it easier for women starting and running a business.

Among the countries participating in the W-power project, *Iceland is interesting* as total of 71% responded that there were no particular challenges in starting a business as a woman in a rural/sparsely populated area and a total of 85% responded that it was no particular challenges in running business as a woman in a rural/sparsely populated area. Island's high figures will be elaborated and discussed further to bring a better understanding.

Other challenges the countries have in common when running a business, as a woman in rural/sparsely populated area are the long distances and the difficulty being able to join events and workshops because so much of it is urbanised. That brings higher costs and a lot of lost working time. Lack of well-functioning broadband and to be far from the market is another challenge to handle.

Challenges region by region are summarized in Appendix 2.

Opportunities/Benefits in Starting and Running a Business as a woman in rural/sparsely populated areas



There are many opportunities and benefits starting a business in a rural/sparsely populated area. The answers state less local competition and receiving funding can therefore be easier as benefits. Life in a rural/sparsely populated area offers an opportunity for people to get closer to each other and this is an advantage in both the start-up process and in running business. An example of this is that "word of mouth" works well in smaller communities because everybody knows each other.

The women entrepreneurs also experience an advantage in being able to be flexible in everyday life and around the family and this contributes to a better balance in life.

The location and beautiful nature increase the business USP (unique selling points) and gives benefits to the companies when starting and when the business is running.

The motivation to become an entrepreneur

The women's highest motivation to become an entrepreneur was the opportunity to become their own boss. When becoming your own boss, you have the opportunity to create the lifestyle and the kind of independence needed to create balance in life and this is highly valued by the women entrepreneurs. They want to improve the quality of life, work towards their own goals, try something new and inspiring and they have the will to stay in the rural/sparsely populated area. For these women, there is also a lot of motivation in getting to work with what you are genuinely interested in and to have time with family.

Is this also the answer we would get from male entrepreneurs? Or do the answers show that women carry a bigger responsibility for the family and because of this are motivated to run their own business so that they can be more flexible and fit around the family?

Gender Specific Support Needs and Development Ideas

The analysis of the questionnaires shows that there is a need for more knowledge and application of gender equality in rural/sparsely populated areas. This



applies both to the organisations that work to provide companies with support and coaching, but also to the female entrepreneurs themselves, so they stand up for and demand to be treated equally as entrepreneurs. It is basically a bigger issue and gender equality is something that needs to be implemented at all levels in our societies for a sustainable future at all levels. Gender equality will lead to shared responsibility over the family/children and give woman an increased opportunity to run business to the same extent as men.

"Women are always more questioned because they are women".

"Work more with gender equality".

"I think most women are in a "women's role" and are expected to take care of the family".

Networks for women entrepreneurs are still needed. An interesting idea, in parallel, would be to focus more on implementing gender equality in already existing business networks.

"More social needs, more networking, meeting, collaborating".

"More networks would be great!"

"Networking is never wrong and it may be good to meet other women who run business in other industries".

Mentors and good role models to share and discuss business plans with are also something that would strengthen women who run business in rural/sparsely populated areas.

"A good network of friends/advisors/mentors is a good thing, and something I'd like to develop more".

"More networking events and mentoring".

"We entrepreneurs should work more together".



Appendix 1

Upskilling needs region by region are summarized in the matrix below.

Rank	Eastern Finland	Ireland	Scotland - HIE	Iceland	Sweden	Finnish Lapland	Canada
1	Digital marketing.	Industry specific mentoring /mentoring (incl. peer) and role models, networks.	Access to business finance.	Digital marketing.	Financing, writing applications, how to best buy equipment, funding.	Digital marketing.	Networking, role models, mentorship
2	Marketing	Financial /Business modelling. Basic finance and accounting.	General lack of support, access to local business support networks or business 'buddies'.	Networks.	Networking.	Using social media for business purposes.	Human resources, lack of qualified people, smaller pool of resources
3	Networking.	Marketing (incl. social media). Product Development, Sales and marketing.	Lack of a role model or mentor.	Financing.	Support and coaching /mentoring, role models.	Marketing.	Financing
4	Using social media for business purposes.		Marketing skills.	Funds. Marketing. Computer skills. Education in business.	Marketing. EHBO (first aid). Lack of qualified staff.	Time management.	Technology. Marketing. Access to services.
5	4 Developing new products and services.		Specific practical skills (IT and marketing).	Support, Role models, International sales and marketing.		Home pages and updating them.	
6	Productization.					Productization and offer calculations.	

Appendix 2

Challenges region by region are summarized in the matrix below.

Eastern Finland	Ireland	Scotland - HIE	Iceland	Sweden	Finnish Lapland	Shetland and Orkney	Canada
<p>Partly the same themes as in the needed skills and support needs.</p> <p>Marketing and selling to reach new customers.</p> <p>Gender - gender-based dismissive attitude and treatment.</p> <p>Lack of networking opportunities.</p>	<p>Partly the same themes as in the needed skills.</p> <p>Resilience, patience, focus, being realistic, confidence, willingness to learn, belief, self-motivation and strong vision.</p> <p>Confidence building.</p>	<p>Distance to markets and to business opportunities such as networking, both in terms of time and cost.</p> <p>Additional delivery costs, on both inbound and outbound goods.</p> <p>Broadband and mobile phone coverage.</p> <p>Childcare and not having enough time to spend on their business due to this or other family commitments.</p>	<p>Lack of knowledge in starting a business.</p> <p>Lack of networks.</p> <p>Not knowing the right people or politics.</p> <p>Transportation cost is high.</p> <p>More opportunities in the capital.</p> <p>Lack of facilities.</p>	<p>Low customer density.</p> <p>To get finance and support from the bank.</p> <p>To be able to charge for their work.</p> <p>As a woman take position in male-dominated industries.</p>	<p>To find funding as part-time entrepreneur.</p> <p>To find balance between family and business.</p> <p>To find customers.</p> <p>Doubts about being a woman in certain business, as a female entrepreneur to be taken seriously.</p> <p>Different rules (border barriers) between Norway and Finland.</p> <p>Long distances to attend events and workshops, bad public transports.</p> <p>Advertisement (market products and services).</p>	<p>Having access to markets and networks.</p> <p>The cost of exporting and importing goods.</p> <p>Requires more effort managing /juggling family.</p> <p>Fewer choices for advisors, accountants and banks.</p> <p>Travel costs are high.</p>	<p>Intimidating questions, feeling underestimated, lack of credibility and not being taken seriously in issues such as financing and negotiating.</p> <p>About distance; far away from market, competence, labour, networks.</p> <p>Language can sometimes be a barrier.</p>



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