

The Promotion of Women Entrepreneurship in Finland

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Women entrepreneurship in Finland

- 83 000 women entrepreneurs
- Women entrepreneurs accounted for over 30 % of the total amount of all entrepreneurs
 - The goal is to raise the share to 40 per cent
- Women's entrepreneurial activity – entrepreneurs share of employees – is 6,9 % (men's 12,2 %)
- Women's share of so-called growth enterprises smaller than men's
 - reasons: branch of business and limited growth orientation



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Typical women entrepreneur

- **Self-employed (80%) (men 60 %)**
- **In the service sector but not in knowledge intensive (93% services and trade, 7% manufacturing)**
- **19 % under 35 year old (woman entrepreneurs are younger than men)**
- **Highly educated, 10 % have university education**
- **Limited growth orientation**
- **Good solvency, equity ratio over 30%**
- **Profitability and productivity higher than average**
- **Low tax debts, good liquidity and credit ratings**



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Problems experienced by women entrepreneurs

- **Getting financing**
- **Lack of entrepreneurial experience and business skills**
- **Lack of knowledge about orders, regulations, public support and loans**
- **Problems entering the market**
- **Utilisation of new technology**
- **Shortage of networks**



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Starting points for the promotion of women entrepreneurship

- **In the 1980s, the promotion of equality included in the Government Programme**
- **The MTI working party on Women and entrepreneurship in 1985**
- **Theme days in February 1986**
 - Nearly 800 women from various parts of Finland
 - Feedback highlighted training as being a key area for development; half of the respondents wanted separate training for women
- **Ladies' Business School (LBS) started in 1987**
 - Management training for women entrepreneurs and executives



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Advisory and other support services

- **Business Service Points in the Centres for Economic Development, Transport and the Environment (ELY-centres)**
- **Internationalisation services**
- **Female business advisors for women entrepreneurs and would-be entrepreneurs initiated in ELY-Centres in 2001**
 - The female business advisors assist would-be and operating women entrepreneurs in enterprise-specific matters, support women in starting and expanding business activity, activate the networking of women entrepreneurs and promote development of new operating methods that promote women entrepreneurship
- **Mentoring**
 - projects are organised according to the concept of Women's Enterprise Agency
 - financed by the ELY-centres and ESF
 - A special Mentor Bank is under development.
- **Women entrepreneur network programmes**



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Financing services

- **Loans for Women Entrepreneurs (Finnvera)**
 - Since 1997, 15 000 loans, developing 11 000 companies
 - For investments required to launch small enterprises and for working capital and other financing needs resulting from business start-up and operation.
 - For manufacturing and service companies
 - Granted to start-up or existing small enterprise with max. five employees, in which women are majority shareholders and which is managed by one of the women owners.
 - Max. 35,000 € per enterprise in one or more instalments and max 75 % of the total cost of the funding.
 - Max. 5 years, one of which can be free of amortization.



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- **Gender neutral instruments:**
- **Business development aid for investments and other development measures by the Centres for Economic Development, Transport and the Environment (ELY- Centres)**
 - granted for projects aiming at boosting the company's competitiveness in the long term, which are estimated to contribute significantly to the company's growth, technology, internationalisation, productivity or business excellence
 - for start-ups and companies expanding and developing their business operations
 - also for material and immaterial investment expenditure
- **Product development loans and aid (Tekes)**



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- **Grants for business start-ups**
 - The purpose of a start-up grant is to help secure the entrepreneur's subsistence for the period they are estimated to require for starting up their business and becoming established
 - available since 1984
 - The grant amount can be 527 – 630 € per month during max. 18 months
 - The share of women of getting the grants for business start-ups is approx. 50 %.
- **Aid for the salary of the first employee**
 - Aid experimentation will be carried out 2007 - 2011 on the population loss regions.
 - The aid can be granted for the salary costs of the first employee recruited by the self employed.
- **National venture capital fund** Public Venture Capital financing / Veraventure Ltd
 - to new technology (NTNE's) start-ups and innovative enterprises in service sector.



Training and development services

- **Ladies' Business School**
 - since 1987
 - provides training programmes for female executives and key people of SMEs
 - financed by the and ESF
- **Other training programmes for executives and key personnel**
- **Training for start-up companies**
- **Enterprise-specific training**
- **Various projects promoting women's entrepreneurship**
- **Special courses for women and several courses for women in female-nominated sectors**



Other main organisations promoting women entrepreneurship

- **The Women's Enterprise Agency**
 - Financed by the Ministry of Employment and the Economy
 - Characteristic: advisers and trainers are entrepreneurs themselves, concentrates on advising women who are starting or have recently started their own business
- **The Central Association of Women Entrepreneurs in Finland**
 - Founded in 1947, a nationwide organisation which looks after the interests of women entrepreneurs in operational, business and social issues, more than 100 local organisations across the country



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- **Women's advisory organisation for development of rural areas**
 - One of the largest women's organisations in Finland
 - Employs more than 80 professionals in various fields of expertise
 - Over 2 000 associations at the municipal and village level
 - Advice for households and consumers, promotion of small enterprises and landscape management
 - The actual advisory work is carried out at the 16 Regional Centres



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Women Entrepreneurship Portal

- opened in March 2006 in Enterprise Finland
www.yrityssuomi.fi/naisyrittajyys
- nearly 200 different services aimed at would be women entrepreneurs and women entrepreneurs
 - training-, developing-, advising-, marketing- and financing services
- aprox. 100 public business promotion agencies



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Government's Policy programme for employment, entrepreneurship and worklife

- **Working Group Promoting Female Entrepreneurship set up by the Ministry of Employment and the Economy**
 - From May 2008 to November 2009
 - New guidelines to promote women entrepreneurship
- **Tasks:**
 - Follow up of the proposals of the working group 2004 – 2005
 - To carry out a survey of
 - the measures and financing methods to promote women entrepreneurship
 - the resource centers for women
 - To improve the visibility of women entrepreneurship in the national, regional and local entrepreneurship strategies and policies



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Proposals of the working group

1. Secure adequate resources and competencies for advisory, guidance and training services targeted at female entrepreneurs
2. Nationalise support for self-employed persons (assistance for the salary expenses of their first employee)
3. Strengthen entrepreneur training and education
4. Support female entrepreneurs' well-being at work and working ability, while encouraging them to continue in their work
5. Expand the scope of the public tourist trade capital investment fund to cover services and creative business activities, or establish a public capital investment fund to finance business activities in the service sector and creative industries
6. Support ongoing entrepreneurship and family life development projects under the Ministry of Social Affairs and Health
7. Improve the compilation of statistics on female entrepreneurship, enhance the monitoring of activities and develop research into women's entrepreneurship



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Substitutes for the Self-Employed

- Launched by the The Central Association of Women Entrepreneurs in Finland in 4 regions, 2005 – 2007, ESF funded project co-financed by the Employment and Economic Development Centre
- For the implementation of the model the Finnish Government has allocated 300 000 € for four years each (2009 – 2012).
- Goals:
 - to sustain entrepreneurs' well-being at work,
 - promote entrepreneurship,
 - increase employment by developing new employment models that meet the needs of working life
 - to make young women more interested in self-employment by helping them find a balance between work and family



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Women entrepreneurs' well being at work and development of business

- Launched by the The Central Association of Women Entrepreneurs in Finland and Finnish Institute of Occupational Health, 2008 – 2009, financed by the Ministry of Employment and the Economy
- Relationship between well being at work and success in business
 - A succesful enterprise supports entrepreneur's and personnel's well being at work and a well being entrepreneur and personnel support the succes of the company
- How to promote well being at work of women entrepreneurs and women enterprises



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Women's Resource Centres as drivers for entrepreneurship

- The analysis was carried out between June and December in 2009
- Six resource centres operating in Finland
 - activation level varies between the resource centres.
 - a common principle is empowering women and supporting women's talent in the society.
 - low threshold locations that women find easy to approach even if they do not yet have clear business ideas.
- This report recommends
 - resource centre type operations should be very early stages business intention recognition.
 - the resource centres should concentrate and define their operational area more widely through running various events and activities for women in various industries.



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Centres for Economic Development, Transport and the Environment

- There are 15 Centres for Economic Development, Transport and the Environment that started operating on January 1st, 2010.
- The tasks of the Centres comprise those of the former Employment and Economic Centres, Road Districts, Regional Environmental Centres and State Provincial Offices. The Centres operate in close collaboration with the Regional Councils.
- The Centres foster regional development by implementing and developing government activities in the regions.
- The Centres promote entrepreneurship, functioning of labour market, competence and cultural activities. They ensure safe and smooth transport operations, healthy environment and sustainable use of natural resources in the regions and are in charge of functions related to immigration of labour force.

Areas of responsibility:

- Economic development, labour force, competence and cultural activities
- Transport and infrastructure
- The environment and natural resources



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THANK YOU!



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