



# Enterprising Women: Gender- Based Analysis UPDATE

April 30

# 2012

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To better understand the economic and social conditions that impact established, women owned businesses in Muskoka and identify the challenges and barriers to sustaining and growing their businesses, YWCA Muskoka conducted a Gender-Based Analysis. Analysis of the findings identifies opportunities to help improve financial and growth opportunities for women business owners in Muskoka.

Funded by:



**PROJECT BACKGROUND AND OBJECTIVES**

In response to an opportunity provided by Status of Women Canada, YWCA Muskoka conducted a gender-based analysis to examine the experience of established women business owners in Muskoka. We wanted to better understand the economic and social conditions that impact established, women owned businesses in Muskoka and identify the challenges and barriers to sustaining and growing their businesses. Analysis of the findings will lead to the identification of opportunities to assist Muskoka’s women business owners to improve financial and growth opportunities.

Community YWCA of Muskoka, is an incorporated, not-for-profit organization that works to create a safe, inclusive community, advancing gender equity through leaderships, partnerships and advocacy. We focus on: Ending violence against women and girls; Achieving economic sustainability for women and their families; Fostering leadership in women and girls; Providing high quality services and activities.

We value a healthy feminine model of leadership which includes: dignity, transparency, inclusiveness and diversity; sustainability and the celebration of women and their achievements

YWCA Muskoka’s “Enterprising Women” project, including the gender-based analysis, was designed in such a way that the research and analysis would be conducted internally, guided by members of an Advisory Committee. The Advisory Group members were selected based on their knowledge of the Muskoka business community, representing the six area municipalities as well as the district government and women’s interests.

**ADVISORY COMMITTEE**

- Jennifer Schnier.....Economic Development Officer, Township of Georgian Bay
- Amy Taylor.....Interim Economic Development Officer, Town of Gravenhurst
- Cheryl Kelly.....Economic Development Officer, Town of Bracebridge
- Cheryl Parlett.....District of Muskoka

**PROJECT STAFF**

- Susan Lovell.....Project Officer
- Beth Ward.....Executive Director

## METHODOLOGY

The findings of this report were gathered from primary and secondary research including:

- ❖ Focus groups of women participating in women-centred economic development training and workshops;
- ❖ A focus group of stakeholders in the economic development community including:
  - representatives of federal, provincial and municipally economic development services;
  - financial institutions that fund businesses
- ❖ Telephone interviews with established women business owners in each of the six area municipalities comprising the District of Muskoka
- ❖ On line survey with established women business owners who participated in Enterprising Women information sessions and seminars. These women represented the six areas municipalities comprising the District of Muskoka

Demographic, economic and other background material were gathered from secondary sources: Statistics Canada research, HRSDC reports, reports on women-centred economic development and similar sources (For details please see Appendix Two)

## RESEARCH QUESTIONS

During focus groups, telephone interviews and the online survey the key informants were asked questions related to:

- Access to financing, business counseling, mentoring, networking management skills, technical capacity
- Challenges or barriers to women business owners in Muskoka
- Services or supports needed by women business owners in Muskoka

Demographic, economic and background material were gathered from Statistics Canada research, reports on women's economic development and similar sources.

## FUNDAMENTAL ASSUMPTIONS

Community economic development “is the process of people working together in their local community to improve their local economy. The goal of community economic development is to provide meaningful work for all, at a level of income that provides a secure livelihood, in jobs that are environmentally, socially and economically viable.”<sup>1</sup>

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<sup>1</sup> IF WOMEN MATTERED” p.3

Research has shown that community economic development projects based upon the concept of “social economy” – an economy that enhances social relationships as well as generate revenue – can actually generate more jobs than projects based upon the traditional idea of a purely financial economy.<sup>2</sup>

Typically community economic development is based on the following values:

- Grassroots and participant-based ( the community is involved in designing the program and activities)
- Asset-based (the program builds upon the existing strengths of the community and residents)
- Respect for diversity and inclusiveness
- Transparent and accountable

In addition to building upon local knowledge, women-centred community economic development also builds upon women’s knowledge. It is designed to take into account the economic and social realities of women’s lives which, for most women, are fundamentally different from those of men.

## FINDINGS

### DATA

- **83%** of all females in Muskoka are aged 15+ (24,311)
- **58%** of all women aged 15+ are in the paid workforce (14,311)
- **11%** of women who work are self-employed. In Muskoka, then, **1574** women are self-employed.
- **71%** of self-employed women business owners run unincorporated businesses (or **1118** of WBO in Muskoka run unincorporated businesses).
- **73%** of the businesses were owned as a sole proprietorship
- Working women are far more likely to lose time from work because of family responsibilities (child/elder care). On average female workers lost 10 days of work per year because of family responsibilities.
- **5%** of all full-time workers lost time each week because of family responsibilities = **78** self-employed women in Muskoka lose time from work **each week** because of family responsibilities.
- **73%** of all women with children under age 16 are in the employed workforce.
- **20%** of all families with children under age 16 are headed by women
- **9%** of all women aged 15> are lone parents.
- **2188** women in Muskoka lead single parent households.
- Of those women who are lone parents – **68% work or 1469** in Muskoka
- Average age of women business owners = **41**
- **48%** of women business owners operate from home
- **83%** are year-round
- **53%** of the women owned businesses are less than 10 years old

<sup>2</sup> “Women Centered CED”, Melanie Cohen, Making Waves, Canadian Centre for Community Renewal, Volume 16, Number 3, 2005,p.4

- **40%** have a business plan
- **69%** intend to grow or expand their business in the next three years
- **47%** prepare financial projections
- **51%** invest in training for themselves
- **47%** invest in training for staff

## **CHALLENGES SPECIFIC TO WOMEN BUSINESS OWNERS (WBO)**

- **Having to run both a business and a family**
- **Transportation**
- **Access to financing**
- **Prejudice/discrimination against women in business**
- **Not being taken seriously**

### **1. DOMESTIC RESPONSIBILITIES LIMIT WOMEN'S BUSINESS OPTIONS**

#### **Muskoka Considerations:**

- Access to quality, affordable child care with flexible hours, in a location close to home was a challenge for women business owners in Muskoka particularly those who live rurally
- Lack of support at home by partner
- Need to be available to respond to school bus schedule as after school child care not available in rural communities
- Elder care
- Lone parent<sup>2</sup>
- **5%** self-employed women in Muskoka lose time from work each week because of family responsibilities, based on national data.

Women's economic choices remain restricted by traditional views about women's roles and women's work. Research shows that women still do most of the unpaid household work. 85% of women do core house work (meal preparation, meal clean-up, indoor cleaning and laundry) as compared to just 59% of men. Women also carry most of the responsibility for caring for children and elderly family members. Many women choose self-employment for its flexibility in response to these demands.

Although self-employed women report high levels of job satisfaction they are less satisfied with their income and job security. They earn about half the earnings of self-employed men ( 50% of all self-employed women earn less than \$20,000) and receive few benefits or pensions which has significant implications for their future financial situations.

## 2. LACK of TRANSPORTATION

### Muskoka Considerations:

- There is no public transportation within the District of Muskoka except for the core of the Town of Huntsville
- Public transportation to travel outside of the District of Muskoka is limited by lack of facilities and scheduling.

Access to transportation is different for women than for men. Women's access to personal vehicles is affected by their status in the household and by their income levels. In many households where a vehicle is shared, men control its use either to access their work or enable their mobility, making women dependent on alternate forms of transport, if available.

Working women are often at a disadvantage in securing personal transportation because they generally earn less than men, making vehicle ownership difficult to afford.

Women's transportation needs are also different because they generally are required to take on the responsibility of maintaining the household and spend more time in caring-related roles, requiring them to travel to different places at different times than men.

The lack of access to transportation for rural women in Muskoka limits their access to retail markets, networking and mentoring and training opportunities.

## 3. PROFESSIONAL DEVELOPMENT

### Muskoka Considerations:

- **51%** of WBO invest in training for themselves
- **47%** of WBO invest in training for staff

Just over half of all women business owners invest in training for themselves and only 47% invest in training for their staff. When asked, women business owners identified priorities for training as being: financial management (18%), marketing & promotion, specifically social media marketing (14%) and computer skills (13%). However, professional development was deemed to be a low priority in light of the broader challenges of running a small business, including the absence of transportation while being primarily responsible for family duties. Only 44% of the women business owners surveyed said that they were likely or very likely to take training within the next 12 months.

#### 4. ACCESS TO FINANCING RESOURCES and INFORMATION

##### Muskoka Considerations:

- Reduced access to financial resources re: business as single woman
- **68%** of all WBO sought some financial assistance during the start-up phase. Of those who sought financial assistance **50%** went to banks or credit unions.
- Almost **50%** of WBO have expanded or considered expanding their business.
- **46%** of those who needed expansion funding went to banks or credit unions. **78%** of those loans were approved
- **55%** experience challenges when seeking financial assistance because of insufficient assets, or their business / business idea was not considered eligible for financing.

It appears that, whether real or perceived, access to financing is a significant concern to women business owners in Muskoka. They reported feeling that a gender barrier exists when it comes to accessing funding. One woman business owner reported that a lending institution required her husband's to co-sign her expansion loan despite her seven successful years as a sole proprietor. A number of women reported that, women are taken less seriously by lenders than their male counterparts and that their financing difficulties are, in many cases, related to the gender. Some women also reported that the type of business they operate render them ineligible for some government programs. This is a gender issue as government programs have often not supported those sectors (retail for example) where women owned business are concentrated.

The findings suggest that there is work to be done to make financing more accessible for women business owners.

#### 5. ACCESS TO INFORMATION

##### Muskoka Considerations:

- **30%** of WBO do not know where to go if they needed business counseling, advice or support services.
- Women report that their priority for business counseling and advice is: financial management counseling (**27%**), marketing & promotion (**12%**) and business planning (**9%**)
- Only **40%** of WBO have a business plan
- Less than half (**47%**) prepare financial projections

Consistent with the experience of women business owners in other regions, it is apparent that one-third of women business owners in Muskoka do not know where to go for business counseling, advisory and support services. These findings suggest that there is a need to explore the best ways to reach women business owners with information of business counseling, advisory and support services.

Further, it is evident that there are opportunities to increase awareness of and access to training regarding business best practices for women business owners of Muskoka.

## 6. MENTORING and CONNECTIONS

### Muskoka Considerations:

- **36%** participate in networking activities on a quarterly basis = **64% DO NOT**
- **29%** participate in networking less than once per year
- **50%** said they had networked at least once within the last three months
- WBO in rural areas : only **25%** belong to business organizations
- **40%** of WBOs have/had a business mentor
- **Low** membership in women's organizations
- **25%** were members of the local chamber of commerce
- **29%** showed a preference for e-networking
- **26%** responded that they were too busy to belong/participate in business organizations noting small children and transportation as the barriers.

Women in rural areas are less likely to participate in networking activities and business organizations than WBOs in urban centres. Availability may be the main reason for this difference. There may also be an issue of awareness both in terms of the existence of organizations and the potential benefits for woman business owners to belong. This suggests a need to support the establishment and development of business organizations, increase awareness of what organizations currently exist. In addition, increasing awareness of the potential benefits and opportunities for networking with other women business owners and improving access to those opportunities would be useful.

Research has shown that mentoring can be a highly effective way to assist business owners to succeed and prosper. Many of the women surveyed indicated that they had an informal mentor suggesting that there may be a need for more formal mentoring programs and an effective way to match women business owners who can respond to their business needs including business/life balance.



## **SUPPPORTS YWCA MUSKOKA CAN OFFER WOMEN BUSINESS OWNERS THROUGH THE *Enterprising Women* PROJECT**

Many ideas as to how YWCA Muskoka's *ENTERPRISING WOMEN* project could support women business owners, in Muskoka are evident. Suggestions included: coordinate information about funding opportunities in the form of loans, grants etc. for a wide range of industries and sectors and make it available to women; provide training and workshops within the various communities with regards to: business planning; financial planning & management; marketing and promotion; social media and work/life balance. It is further recommended that real time networking strategies be incorporated in the program design along with the implementation of a mentoring program. The provision of "e" strategies (on line networking, links to resources, podcasts and webinars) would increase access in the presence of a largely rural community without public transportation.

DRAFT

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