

The First UK Guide to Finance for Women in Business

Submitted by: Prowess 2.0

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Women's businesses in the UK are being held back by gaps in knowledge about business funding. A new free guide launched this week by women in business organisation (<http://www.prowess.org.uk>), Prowess 2.0, as part of Finance 4 Start Up Britain Week, aims to help women and their advisers to make the most of the funding options available.

There has been a massive hike in the number of women starting businesses since 2008; up 16 percent compared to 2 percent for men. But a body of research shows that this burst of female entrepreneurship is likely to be stifled by lack of financial savvy. Women use a much narrower range of finance options and start businesses with much lower levels of funding, across every size and sector of business. "When it comes to succeeding in business, whether you're a man or a woman doesn't matter a bit. With similar levels of start-up finance, women's businesses perform just as well as those led by men," says report author, Erika Watson. "While there is still some discrimination, that's less of an issue than the gaps in knowledge about what's available. Prowess 2.0 wants to support more women to succeed by providing the best information available."

The practical 21 page e-book includes:

- A plain-English overview of all the main types of UK business finance, including loans, grants, equity, bootstrapping, crowdfunding and more.
- The pros and cons of the main types of funding and whether there's a women's angle or route. For example, women are much less likely to seek Business Angel funding, but just as likely to succeed when they do.
- Exercises to help women understand and deal with their own financial psychology. Money is a topic which academics agree is more emotionally loaded for women than it is for men.

Erika Watson has an MBE for services to women's enterprise and was a member of the Government appointed Women's Enterprise Task Force. She says: "the Task Force report brought together a substantial body of research on how access to finance was a barrier for women in business, but we couldn't find any practical information resources like this for women." Prowess 2.0's Women's Business Finance Guide fills the gap and will enable more women to make the most of all the financial opportunities open to their business.

The report is free to download from www.prowess.org.uk (<http://www.prowess.org.uk>)

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Further information

- For further information, please contact Erika Watson editor@prowess.org.uk
- Telephone: 01603 620288 or 0797 5743281
- Erika Watson is available for interview.

Notes for the editor

Prowess 2.0 (<http://www.prowess.org.uk>) is the online centre for women in business. It's where you'll find top-quality information for women who're starting or growing businesses, links to local support and networks and helpful online resources.

The Women's Business Finance Guide is available to download from the homepage of the Prowess website.

Facts about women and finance

- The proportion of women starting businesses increased by 16% between 2008-2012, compared to 2% for men (ONS statistics to April 2012) .
- Women are around ten per cent more likely than men to see finance as their only barrier to entrepreneurship. Education and training reduce the difference (Caleb Kwong, Dylan Jones-Evans, Piers Thompson 2012 "Differences in perceptions of access to finance between potential male and female entrepreneurs: Evidence from the UK", International Journal of Entrepreneurial Behaviour & Research, Vol. 18 Iss: 1, pp.75 – 97) .
- Women start businesses with around one third of the level of finance of their male counterparts, in every size and sector of business (Carter, S., & Shaw, E., 'Women's Business Ownership', report to SBS/ DTI 2006).
- Women use a narrower range of types of finance in their businesses. They are much less likely to use private equity or venture capital (ibid Carter et al) .
- Women are more likely to be offered business bank loans and also more likely to turn them down (ibid Carter et al) .
- Fear of debt is the single largest barrier to entrepreneurship for both men and women, although women are significantly more fearful than men (Global Entrepreneurship Monitor, London Business School, 2006) .