Global Entrepreneurship Monitor

GEM Canada Report on

Women's Entrepreneurship

2013+2014

GEM CANADA REPORT ON WOMEN'S ENTREPRENEURSHIP 2013 & 2014

Karen D. Hughes
University of Alberta

This publication is available on-line at: www.thecis.ca

Publication Date: November 2015

Hughes, Karen D. 2015. GEM Canada Report on Women's Entrepreneurship 2013 & 2014

CONTENTS

CONTENTS

FIGURES AND TABLES

FIGURES AND TABLES

EXECUTIVE SUMMARY

In Canada, women have increasingly embraced entrepreneurship, contributing significantly to the expansion of business ownership that we have seen across the country in recent years. Recognizing the importance of this phenomenon, the *GEM Canada Report on Women's Entrepreneurship* offers an up-to-date picture of women-led business in Canada. Drawing on 2013 and 2014 data from the *GEM Canada Surveys*, the report details women's activity rates, their attitudes and motivations for starting a business, the success and impact of their ventures, and the quality of their working lives. Comparisons are also made to male business owners in Canada, and to women in other innovation-based countries, drawing on *GEM International Survey* data.

Key highlights include:

LEVELS OF ENTREPRENEURIAL ACTIVITY

Canada is a leader in women's entrepreneurship, with some of the highest rates of activity in innovation-based economies. In 2014, 10.0% of Canadian women were involved in some type of early stage activity (TEA), while another 7.7% of women were involved in an established business (EBO) that had been operating for more than 3.5 years.

PERSONAL BACKGROUNDS AND BUSINESS PROFILE

Canadian women entrepreneurs are highly educated, whether in early-start ups or established firms. Activity levels vary by age. Younger (25-34) women have the highest rates of early-stage activity, while mid-aged women (45-54) are most active in established firms. Provincially, Alberta and B.C. have the highest rates of female entrepreneurship, showing near gender parity in early-stage activity in B.C. and in established business in Alberta. Industrially, early-stage women entrepreneurs cluster strongly in consumer services, but a more diverse industrial mix is found for women in established firms.

MOTIVATIONS AND ATTITUDES

Overall, Canadian women's attitudes towards entrepreneurship are highly positive, and compare very favourably to women's attitudes in other innovation-driven countries. Most women are motivated to start a business in order to pursue new ideas and opportunities, though 30% cite necessity-based or other factors. Despite a generally positive outlook, some gender gaps in attitudes are evident. In particular, while Canadian women in early-stage activity are as likely as men to perceive good opportunities, they are less apt to believe they have the knowledge and skills to succeed, and are also more likely to fear business failure.

ECONOMIC IMPACT

On average, Canadian women build smaller businesses than their male peers. But we see diversity in size, and 60% of women in early-stage firms, and 70% of women in established firms, are employers. Similarly, women's growth expectations for future job creation in the next 5 years are typically lower than those of men, especially for higher growth projections (20+ jobs). Yet, early stage women-led firms report rates of innovation in products and markets equal to male-led firms. Women are also equally as likely to engage in internationalization and exporting, with nearly 20% of women and men in early-stage firms reporting that 25% or more of their customer base is international.

SATISFACTION AND WELL-BEING

Canadian women entrepreneurs report high levels of life satisfaction and well-being. Where a gender gap exists, it typically favours women. In particular, female owners of established businesses report the highest levels of well-being and life satisfaction. Probing into satisfaction on autonomy, work-family issues, and income reveals a more nuanced picture across gender and business stage. Satisfaction with autonomy and income is highest for established business owners, and lowest for early-stage owners, with women typically more satisfied than men. Overall, the highest levels of work-family balance are reported for women running early-stage firms, perhaps suggesting some trade-offs between the economic and personal rewards of business ownership.

LOOKING AHEAD

Data from the *GEM Canada Surveys* confirms that Canadian women are making strong contributions to the growth of an entrepreneurial economy, with some of the highest levels of female activity amongst innovation-driven economies. High education levels, positive attitudes, and interest in innovation and internationalization are key assets Canadian women bring to their businesses. A future agenda for ensuring a vibrant women's business community should highlight issues of sector, scale, skills, and support—ensuring early-stage women have access to supportive ecosystems that can help them identify and pursue opportunities in a more diverse range of sectors and markets, and that more established women entrepreneurs are able to access the necessary skills, resources, and mentoring needed to scale and grow their businesses.

1. INTRODUCTION

The *GEM Canada Report on Women's Entrepreneurship* provides an overview of the current state of women-led business in Canada. Drawing on data from the 2013 and 2014 *GEM Canada Surveys*, the report explores Canadian women's engagement in a range of businesses—from start-ups to more established ventures—examining their rates of entrepreneurial activity, their attitudes and motivations for starting a business, the success and impact of their ventures, and the quality of their working lives.

Given the importance of entrepreneurial ecosystems, this report examines provincial differences in women's entrepreneurship, and also places Canada in global context, comparing women-led business in Canada with that in other innovation-driven economies. It also examines the extent of current 'gender gaps' in entrepreneurship by comparing Canadian women's and men's business activity and attitudes.

1.1 Women's Entrepreneurship

The Rise of Women-Led Business in Canada

Canadian women's growing engagement in entrepreneurship in recent years has been nothing short of dramatic. Over the past few decades, Canadian women have played a pivotal role in the significant expansion of entrepreneurship that we have seen across the country, launching businesses at much higher rates than ever before.[1]

Today, Canada is recognized as a leader in women's entrepreneurship, with one of the highest rates of women-led business within innovation-based economies. According to the recent 2015 *Global Women Entrepreneurs Scorecard*, Canada ranks 2nd out of 31 countries in the world in supporting high-impact women's entrepreneurship, placing just behind 1st placed United States, and tied for second with Australia.

Many benefits flow from Canadian women's growing entrepreneurial activity, including interesting new products and services, and a strong economic and social impact across local, regional and national economies. Today, there is also much greater public awareness about women's business endeavours. Successful entrepreneurs, such as

1. INTRODUCTION

Arlene Dickinson, CEO of *Venture Communication* and formerly of *Dragon's Den*, are well known to many Canadians and have done much to raise the profile of women-owned business. Awards such as the *RBC Canadian Women Entrepreneurs Awards* and the *PROFIT/ Chatelaine Top 100 Women Entrepreneurs* have also helped showcase the accomplishments of women business owners across a variety of business sectors.[2]

Public policy has also focused attention on women entrepreneurs—most recently, through the Status of Women Canada *Report of the Expert Panel on Championing and Mentoring for Women Entrepreneurs*[3]. Advocacy groups, such as the *Task Force for Women's Business Growth*[4] have also worked to keep women's entrepreneurship in the spotlight, providing useful follow up to past initiatives such as the *Prime Minister's 2003 Task Force on Women Entrepreneurs*.[5]

These positive trends and indicators bode well for the success of women-led business in Canada. Yet, we also know there continues to be a 'gender gap' in entrepreneurial performance and growth. Canada is not alone in this trend. In many countries, women-led ventures are often smaller, and grow less quickly, than businesses led by men. How best to support and help build women's enterprise is therefore a key area of interest for business owners, governments, policy makers, program providers, and academics alike.

KEY QUESTIONS AND REPORT ORGANIZATION

Contributing to this discussion, the *GEM Canada Report on Women's Entrepreneurship* follows the approach taken by the *GEM Global Women's Reports*, examining a number of key questions and dimensions of women's business activity (as outlined in Figure 1.1) to provide an up-to-date picture.

Chapter Two discusses Canadian women's levels of entrepreneurial activity, both in younger firms (TEA) and established businesses (EBO). It also compares women's rates of participation with Canadian men, and with female entrepreneurs in other countries.

Chapter Three profiles the personal and demographic characteristics of Canadian women entrepreneurs, comparing their age and education profile with their male peers. It also explores the industry sectors that women operate within, and provincial variations in entrepreneurial activity.

Chapter Four explores what motivates Canadian women to start up their businesses. A key question here is whether women set up businesses in pursuit of new opportunities and ideas, or due to 'necessity motivations' (e.g. job loss, career barriers). Equally important are attitudes towards entrepreneurship, looking at both women who are already involved in a business, as well as attitudes within the general Canadian population overall.

Chapter Five turns to examine the impact of women-led business, looking at current performance in job creation, internationalization and innovation. It also probes women's aspirations for the future in terms of their growth intentions.

Chapter Six draws on special questions from the 2013 *GEM Canada Survey* to explore quality of working life. Key questions here concern women business owners' overall well-being and life satisfaction, as well as their satisfaction with specific features of business ownership such as autonomy, work-family balance, and economic rewards.

Figure 1.1 Dimensions of Women's Entrepreneurship

Source: Adapted from Kelley et al. (2013) ***Global Entrepreneurship Monitor 2012 Women's Report****, p. 14.*

1.2 STRENGTHS OF THE GEM DATA AND METHODOLOGY

GEM AND GEM CANADA OVERVIEW

The *Global Entrepreneurship Monitor* (GEM) Project is widely recognized as the most comprehensive longitudinal study of entrepreneurship in the world. Launched in 1999 as a joint project between London Business School (UK) and Babson College (USA), it has gathered data from over 100+ countries in the past 16 years. The primary purpose of the GEM Project is to understand entrepreneurship in national and global context, focusing on two key dimensions: i) the attitudes, activity, and aspirations of individual entrepreneurs; and ii) the national context and how it impacts entrepreneurial activity.

Canada was an early participant in the *GEM Project*, but did not participate from 2005 - 2012. Fortunately, in 2013, Canada resumed its participation in the GEM Project, with the GEM Canada team gathering data and producing national reports for 2013 and 2014[6]. These reports provide a much-needed picture of entrepreneurial activity in the country. While women's entrepreneurship has not been an explicit focus of those reports, they have nonetheless highlighted some interesting gender differences.

The *GEM Canada Report on Women's Entrepreneurship* delves further into the GEM data to explore the gender dynamics at play. This is important because while a *GEM Global Women's Report* has been published every few years—most recently in 2012[7] —Canada has not been included in these reports since it was not participating in the *GEM Project* from 2005-12. It has thus been roughly a decade since the last analysis of Canadian women's entrepreneurship using GEM data in 2005[8].

A special report on Canadian women's entrepreneurship is therefore welcome and timely. And the *GEM Canada Project* is uniquely positioned to provide insight into women's business, with respect to issues such as their levels of engagement, motivations, attitudes, business outcomes, and quality of working life.[9]

GEM MODEL AND METHODOLOGY

The Global Entrepreneurship Monitor (GEM) defines entrepreneurship as:

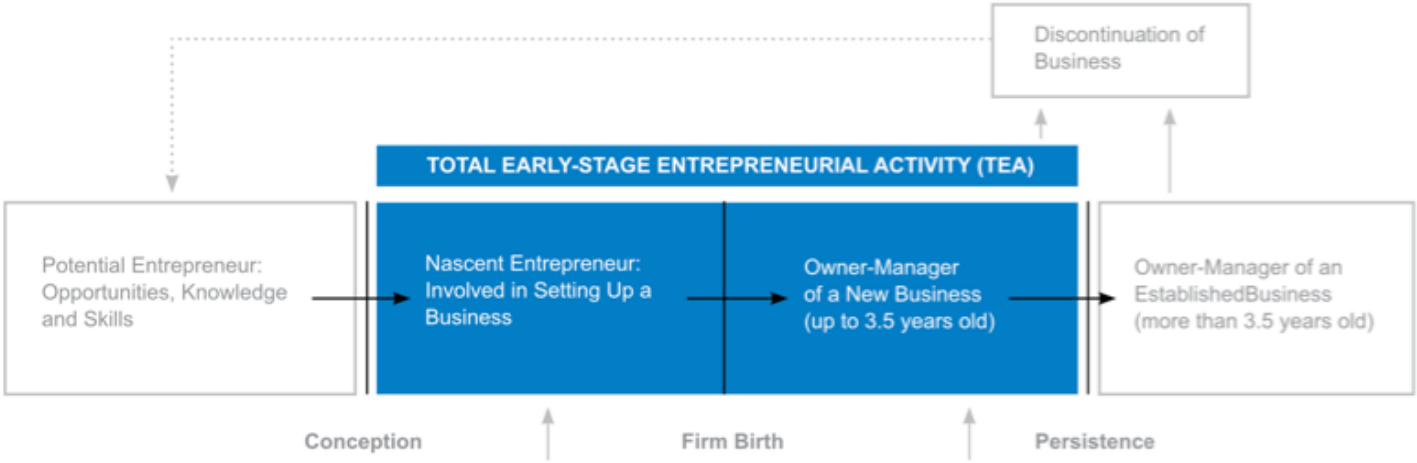
> *"Any attempt at new business or new venture creation, such as self-employment, a new business organization, or the expansion of an existing business, by an individual, a team of individuals, or an established business."*[10]

At the heart of the GEM model is a focus on the *individual entrepreneur*, and their personal aspirations, capabilities and opportunities, as well as the *entrepreneurial ecosystem*.

The GEM classifies countries that participate in the study according to the three-fold typology from the World Economic Forum's Global Competitiveness Report[11]. *Factor-driven* economies are the least developed, with highest rates of entrepreneurship, often driven by necessity. In a more intermediate position are efficiency-driven economies where early innovation and infrastructure are emerging. *Innovation-driven* economies—such as Canada—typically have lower overall rates of entrepreneurship, but this activity is more likely to be technologically innovative, knowledge-based, and novel, and driven by opportunity-based, rather than necessity-based, motivations.

Overall, the GEM model views entrepreneurship as a process with distinct phases. As depicted in Figure 1.2, this process moves from the intention to start a business, to nascent entrepreneurship involving a brand new start-up, to owner-managers of a relatively new business, to owner-manager of a more established venture. Following this process approach, it also tracks business exits and discontinuance.

Figure 1.2 The Phases of Entrepreneurship



Source: Langford and Josty (2015) GEM Canada 2014 Report, p. 13.

1. INTRODUCTION

A central measure of the GEM is *Total Entrepreneurial Activity* (TEA). This includes those in the process of starting a business (nascent entrepreneurs), and those running a young business (3 – 42 months old), but excludes those in the established business phase (firms older than 42 months or 3.5 years). By exploring these various phases—and especially the difference between 'early-stage' (TEA) and 'established businesses' (EBO)—the GEM project offers data not typically available from standard business statistics or official government measures.

With respect to data collection, the GEM collects information at the national level through two main sources:

Adult Population Survey (APS)

Data for the APS is gathered through a telephone survey of randomly selected adults, aged 18-99 years, conducted by an independent polling firm. Using the standard GEM questionnaire protocol, it covers a variety of questions on entrepreneurial attitudes, activities, and aspirations. The APS data provides a profile of representative data, weighted for age and gender to standard Canadian demographic data.[12]

National Expert Survey (NES)

Data is also collected through a National Expert survey (NES). Expertise areas specified by GEM include: finance, policy, government programs, education and training, technology transfer, support infrastructure, and wider socio-cultural norms. The questionnaire presents a series of statements concerning support for entrepreneurship, and experts are asked to assess the degree to which each is true for Canada. The final section solicits open-ended responses.

For this report on women's entrepreneurship, we draw primarily on the GEM Canada Adult Population Survey (APS) for 2013 and 2014. To place women's entrepreneurship in a global context, we also draw from the *GEM International Survey* for 2013 and 2014 to offer some comparative insights.

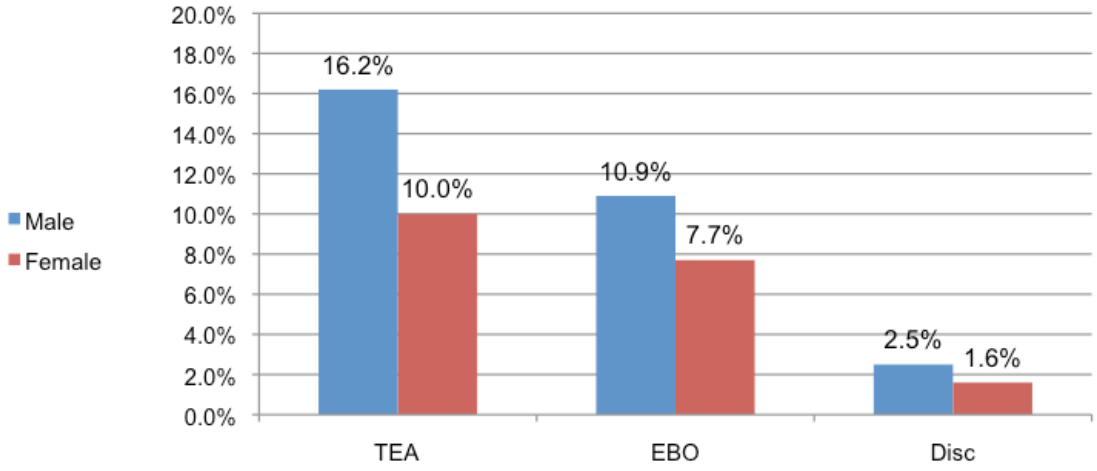
2. WOMEN'S PARTICIPATION IN ENTREPRENEURSHIP

2.1 Comparing Canadian Women and Men's Entrepreneurial Activity

Previous *GEM Global Women's Reports* have clearly shown that women's participation in entrepreneurship varies dramatically around the world. While some countries have very low levels of female participation—with women entrepreneurs comprising just 1-2% of the 18-64 year old population—other countries have a robust female presence within the entrepreneurial sector, with well over one-third of working women engaged in some form of business ownership. Likewise, across countries, we can see notable variation in the 'gender gap' between women and men's entrepreneurial participation.

Where do Canadian women entrepreneurs fit within this global picture? And how does their engagement with entrepreneurship compare to that of Canadian men? Looking first at women's rates of entrepreneurship in Canada, shown in Figure 2.1, we can see that, in 2014, women were well-represented, both in 'Total Early Stage' (TEA) activity—defined as a business 3.5 years old (or 42 months) and younger—and in 'Established Business Ownership' (EBO)—defined as a business that has been operating for more than 42 months or 3.5 years. As Figure 2.1 shows, 10.0% of Canadian women were involved in some type of early stage activity in 2014, while another 7.7% of women involved in a more established business.

Figure 2.1 Percentage of Women and Men in Total Early-Stage Activity (TEA), Established Business (EBO), and Discontinued Business, 18-64 years, Canada, 2014



Despite this, we can also see that there is still a gender gap when we compare activity rates for Canadian women and men. As Figure 2.1 indicates, in 2014, 16.2% of men were involved in some form of early-stage activity. Another 10.9% of men were involved in a more established business. Though we know from other data and studies that the gender gap in entrepreneurship in Canada has been narrowing in recent decades, this gap is both notable and puzzling, given Canadian women's rising education attainment and economic success in the economy overall.

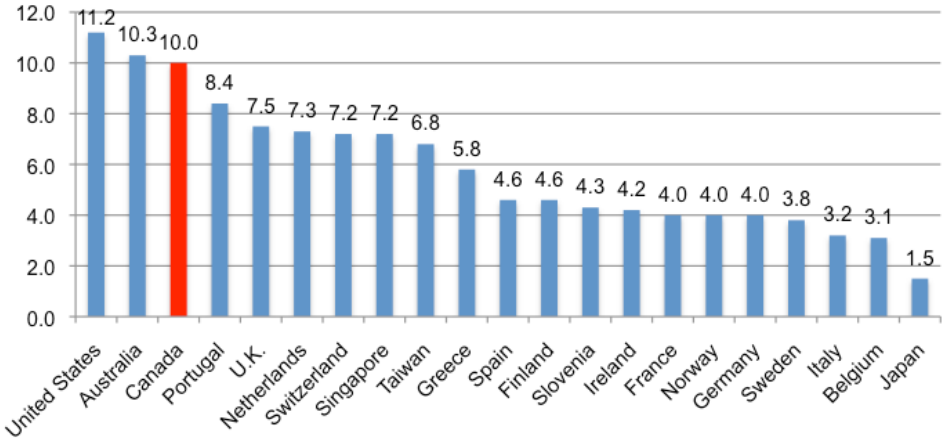
In addition to total early-stage and established business ownership, we also see a small proportion of women and men discontinuing their business each year, either through business closure or through sale of a going concern. Here women's rates are slightly below those of men.

2.2 Canadian Women Entrepreneurs in Global Context

How does Canadian women's level of engagement in entrepreneurship compare with that of women in other countries? Looking at GEM data for 2014, shown in Figure 2.2a, we see that rate of total early-stage activity (TEA) for Canadian women is very high compared to many other innovation-driven economies. In fact, Canada stands out as a leader, tied with Australia (10.3%), and just behind the United States, where 11.2% of women are involved in early-stage activity. Comparing Canada to other G7 countries—specifically the U.K., Germany, France, Italy, and Japan—we see that Canadian women's engagement is very high. This is in keeping with results from the 2013 GEM Survey where Canadian women's TEA rate was equally high at 2nd place, just behind the 1st placed United States.

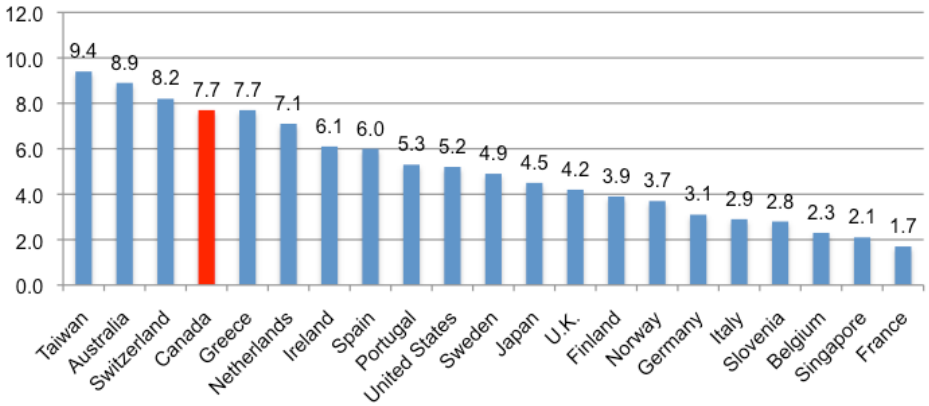
2. WOMEN'S PARTICIPATION IN ENTREPRENEURSHIP

Figure 2.2a Percentage of Women in Total Early-Stage Activity (TEA), 18-64 years, Canada and Other Innovation-Based Economies, 2014



With respect to more established business ownership (EBO), Canadian women also fare well in international comparisons, though not as strongly as with early-stage activity. As we can see from Figure 2.2b, Canada is in 4th place for women's established business ownership, behind countries such as Taiwan, Switzerland, and Australia. It bears noting that, in 2014, Canadian women had higher rates of participation in established business than women in the United States, which is well recognized as home to many successful, high-growth, women entrepreneurs who have gone on to build large, successful companies.[13]

Figure 2.2b Percentage of Women Involved in Established Business (EBO), 18-64 years, Canada and Other Innovation-Based Economies, 2014



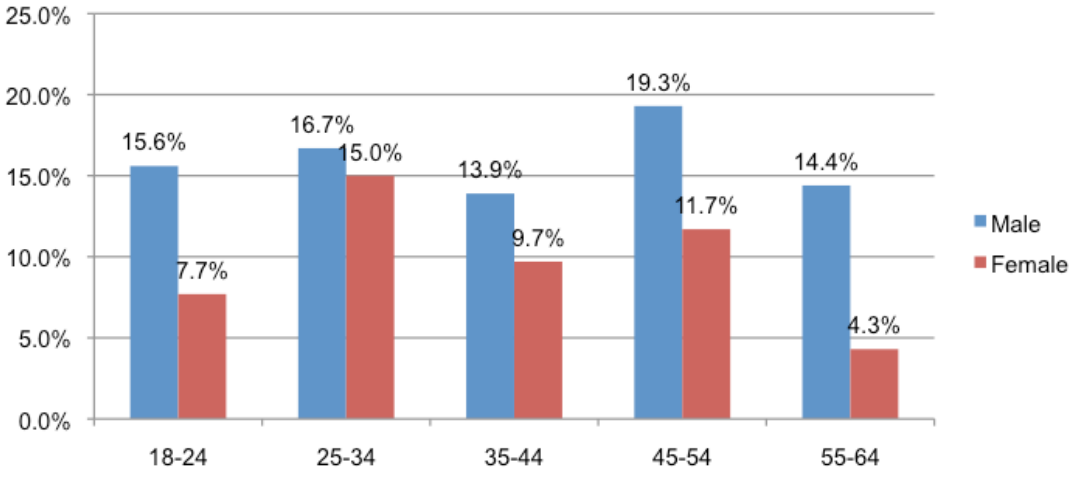
3. CHARACTERISTICS OF WOMEN ENTREPRENEURS

Media stories often leave the impression that most successful entrepreneurs are technologically savvy young men launching start-ups in the tech sector. But the GEM data confirms that entrepreneurship engages a much wider demographic. Who are the women business owners in Canada? What is their typical age and what type of education and knowledge do they bring to their ventures? How do they compare do their male peers? How does their activity vary across the country, and what sort of industries do they compete in?

3.1 Age

Typically, Canadian women engaged in early-stage activity (TEA) are slightly younger than men, having an average (mean) age of 39.7 years, compared to 41.3 years for men. As Figure 3.1a shows, women's rates of activity (and the gender gap) also varies notably by age. For women, the highest rates of early-stage activity—where the gender gap is narrowest, and participation parallel that of men—is at 25-34 years. Here 15.0% of women and 16.7% of men are leading firms. At other life stages—especially in the very young (18-24 year olds) and older age groups (55-64 years old)—women's participation falls significantly below that of men.[14]

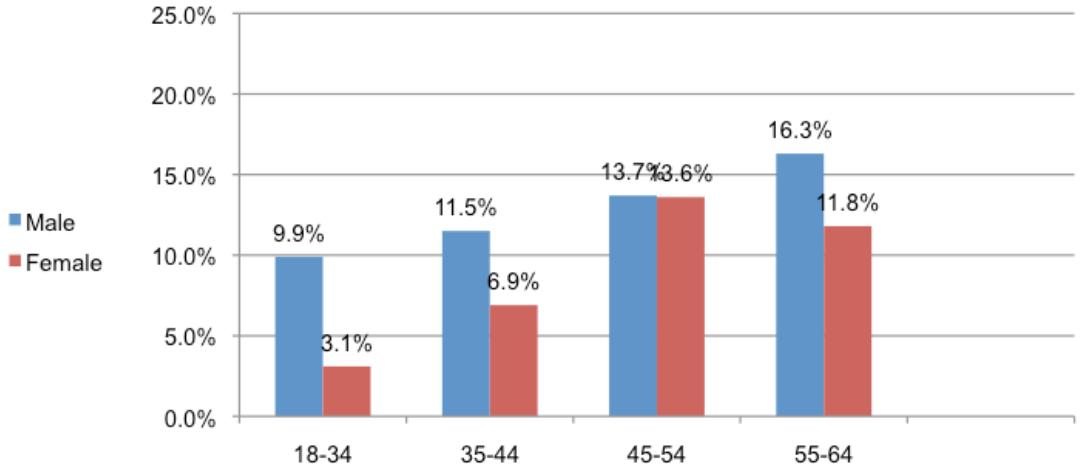
Figure 3.1a Age Profile of Women and Men in Total Early-Stage Entrepreneurial Activity (TEA), 18-64 years, Canada, 2014



3. CHARACTERISTICS OF WOMEN ENTREPRENEURS

Those in established businesses (EBO) have an older age profile, as we would expect. Established female business owners are roughly a decade older than women leading early-stage firms, with an average (mean) age of 49.2 years. Men in established firm are also older than early-stage men, but just by roughly 5 years, with an average age of 46.9 years. As Figure 3.1b shows women and men have similar rates of participation in established business at around the 45-54 year mark, but rates vary at other life stages, especially under 35 years of age. Given the lower numbers of 'young' established business owners, the 18-24 and 25-34 year old groups are combined in Figure 3.1b.

Figure 3.1b Age Profile of Women and Men in Established Business (EBO), 18-64 years, Canada, 2014



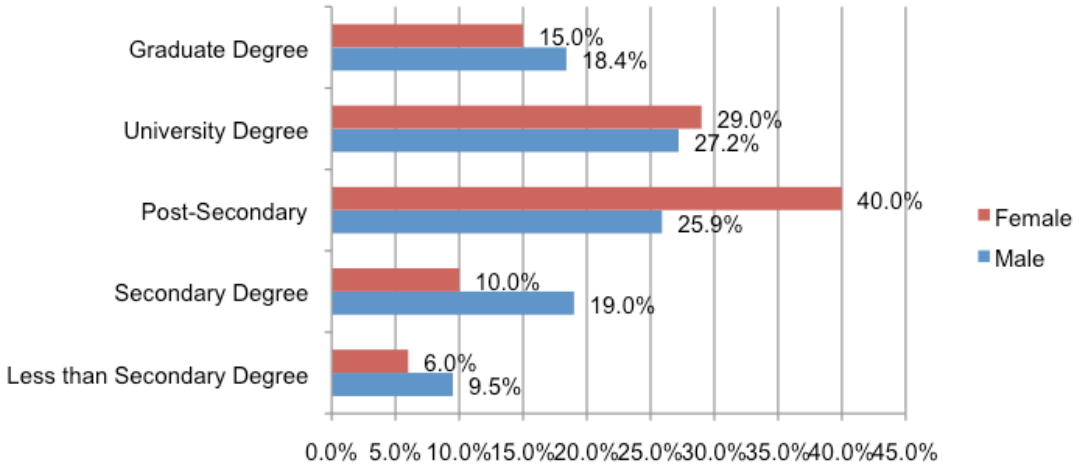
3.2 Education

Education and knowledge play a critical role in shaping the nature and success of entrepreneurial ventures. Both formal and informal learning are central in shaping the skills entrepreneurs bring to their business, the opportunities they identify, and the industries they enter.[15] In Canada, as in many other knowledge-based economies, innovation is tightly linked to education and human capital. For women, rising educational achievement in the past few decades has played a key role in expanding economic opportunities and success in a variety of sectors.

Figure 3.2a profiles the educational backgrounds of women and men involved in early start-up activity. As we can see, women entrepreneurs are highly educated. Nearly 85% have some form of post-secondary education—with 15% having a graduate degree, 29% a university degree, and another 40% having some post-secondary diploma or courses.

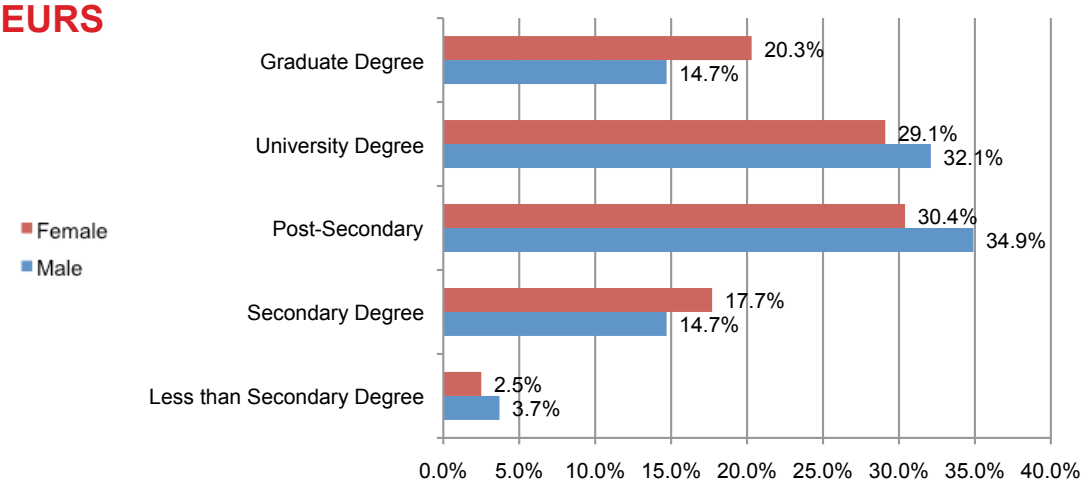
Men are also highly educated, but less so, with roughly 70% having some type of post-secondary education. Roughly twice the proportion of men, to women, have a secondary degree or less. Amongst the university educated, men in early-stage firms are somewhat more likely than women to have a graduate degree.

Figure 3.2a Educational Background of Women and Men in Total Early-Stage Activity (TEA), 18-64 years, Canada, 2014



For established business owners (EBO), we see more similarity between women and men. Formal education is important for both groups, with roughly equal proportions (about 80%) having some post-secondary education, or a degree. Compared to early-stage women, established female business owners are somewhat more likely to have a secondary degree or less. Established women entrepreneurs are also more likely than their male peers (and early-stage women) to have a graduate degree.

Figure 3.2b Educational Background of Women and Men in Established Business (EBO), 18-64 years, Canada, 2014



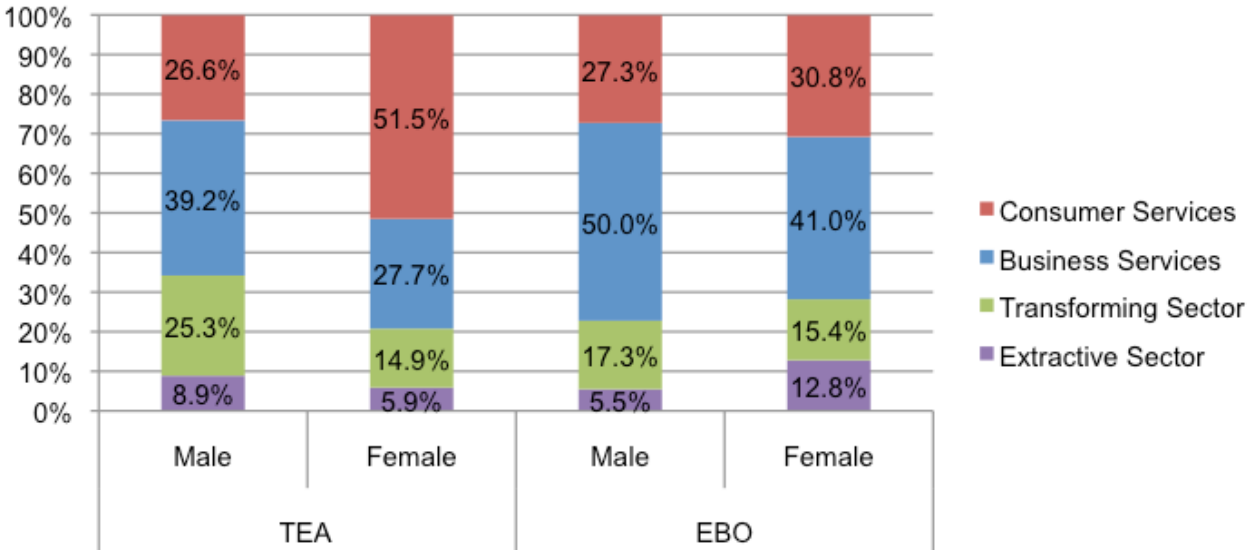
3.3 Industry

Industry sector strongly shapes the success and viability of a business. Entering crowded, highly competitive, sectors, with low innovation, is a common problem for many aspiring entrepreneurs. Past studies of female entrepreneurs, in Canada and elsewhere, note a tendency for women to operate in female-dominant areas, such as retail and personal services, where rates of business failure are high, and innovative and profitability, are low.[16] To what extent is this changing?

Overall, the 2014 *GEM Canada* data suggests a mixed picture, with reason for both hope and concern. Figures for all entrepreneurs combined (both TEA and EBO) show that well over 40% of women operate in consumer services, compared to roughly 25% of men. But there are important differences between early-stage and established firms. These can be seen in Figure 3.3, which display industry by gender and business stage. Here we see that early-stage women (TEA) are far more likely to launch service businesses, with over half (51.5%) located in consumer areas. Roughly another one-quarter (27.7%) are in business services, a potentially more lucrative sector and one that is increasingly driving innovation and growth, according to research on the 'knowledge-intensive business services' (KIBS) sector.[17] In comparison to early-stage owners, established female business

owners (EBO) have a much smaller footprint in consumer services (30.8%), with much higher engagement in business services (41.0%). Importantly as well, over one-quarter of established women operate in the transformative and extractive sectors where, historically, we have seen fewer female-led businesses.

Figure 3.3 Industrial Sector for Women and Men in Total Early Stage Activity (TEA) and Established Business (EBO), by Gender, 18-64 years, Canada, 2014



Comparing male- and female entrepreneurs, both for early-stage (TEA) and established businesses (EBO), shows a marked gender gap that corresponds to key findings within academic research as well as general patterns in the labour market reflecting gender segregation. Men are more likely to operate in transformative and extractive sectors, though the high ratio of established male business owners in the business services sector bears noting.

Finally, we can place Canadian women's industrial location into the broader international context, by comparing *GEM 2013* data for women in total early-stage activity in a number of countries, including several G7 nations. This confirms that Canadian women are not alone in favouring consumer services. But it also suggests women entrepreneurs in Canada have a more diverse industrial mix than in many other countries, including the U.S.

Table 3.3 Industrial Sector for Women in Total Early-Stage Activity (TEA), 18-64 years old, 2013, Canada and Other Innovation-Based Economies

	Industry Sector		
	Extractive & Transformative	Business Services	Consumer Services
Canada	20.4	37.8	41.7
U.S.	18.9	29.1	51.9
U.K.	7.5	32.1	60.4
Germany	8.6	20.0	71.4
Sweden	25.5	33.3	41.2
Israel	15.3	21.5	63.1

A key take away with respect to industry is the continued need to encourage Canadian women to explore opportunities in sectors other than consumer services where they may have more scope to innovate, scale, and build their businesses. To the extent that we see a small pocket of early-stage women, and a more sizeable group of established women business owners, operating in others sectors, these are encouraging trends. In particular, Canadian women's strong presence in the business service sector is a positive sign, given the growing importance of knowledge intensive business service (KIBS) sector for driving innovation and growth in economies.

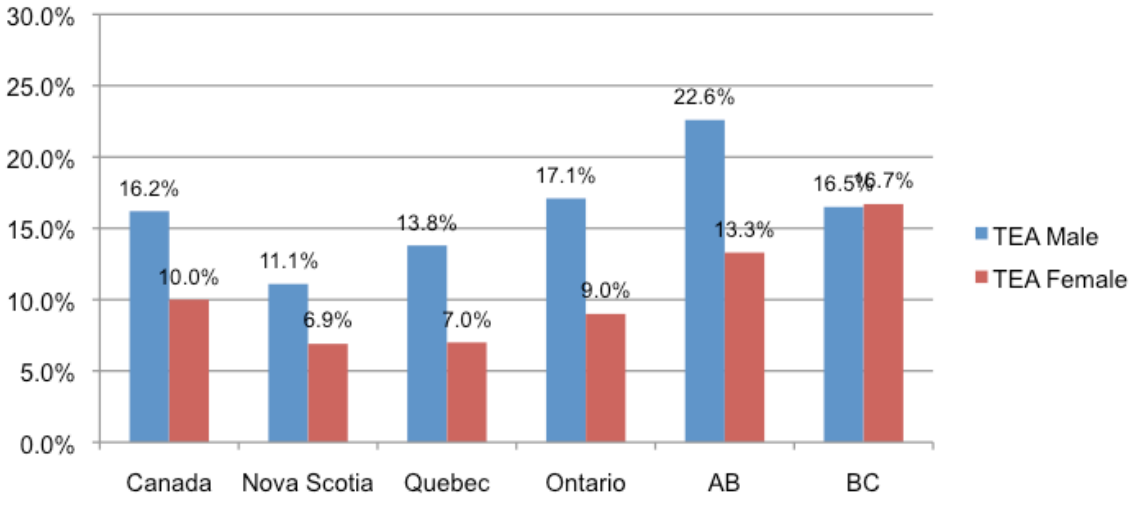
3.4 Province

Currently around the world there is a great deal of interest in the importance of entrepreneurial ecosystems, and their role in sparking and supporting entrepreneurial activity across regions and countries. Effective ecosystems are typically thought to have: high levels of human capital and knowledge; cultural values that laud enterprise and risk taking; access to finance; ventures friendly markets; enabling policies and leadership; and a range of institutional and infrastructural support.[18]

Looking across the country, we can see some important provincial differences in women's entrepreneurial activity, and in the gender gaps, both for early-stage and established business owners. This variation is likely due to a variety of factors, including attitudes towards entrepreneurship, human capital, the industrial mix of the provincial economy, and public policy and support. Because of relatively small number of respondents in some provinces, we report only on the five provinces where there are sufficient numbers to disaggregate data by gender and business stage.

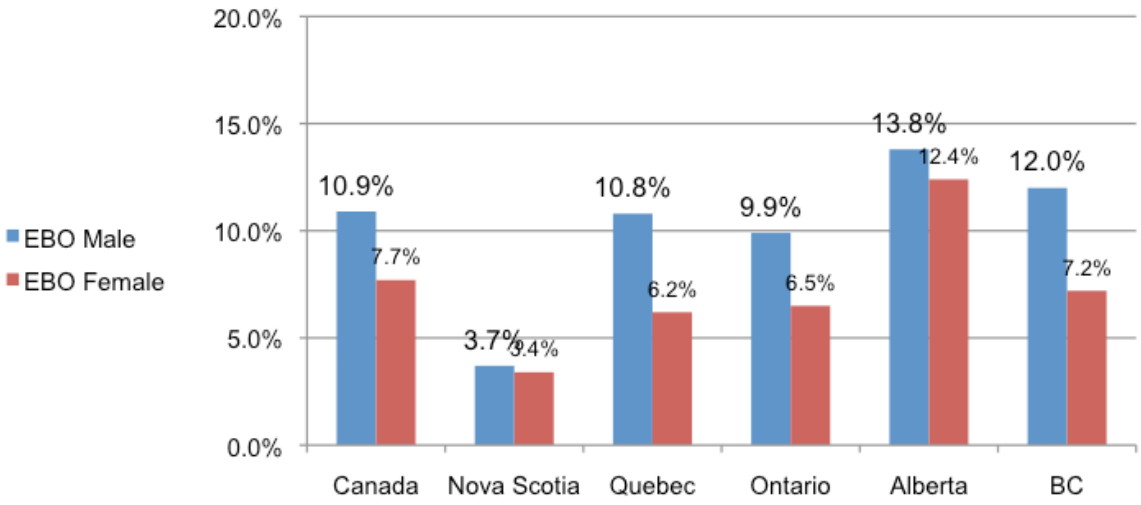
As we can see for early-stage owners, women have above average rates of participation in Alberta and B.C. Ontario women's participation in early-stage activity is just below the Canadian average, while in Quebec and Nova Scotia the participation rates are well below, to around the 7% range. Of note, the gender gap in activity varies markedly across provinces. In B.C. the gap is virtually non-existent, whereas it is notable in most other provinces, ranging from a low of 4.2% (in Nova Scotia) to a high of 9.3% (in Alberta).

Figure 3.4a Provincial Location of Women and Men in Total Early-Stage Activity (TEA), 18-64 years, Canada, 2014



For established business owners, we also see some interesting variation across province. Again, Alberta has above average rates for women entrepreneurs, with BC showing activity rates more around the national average, and rates falling below the national average for the remaining provinces. Of note, gender gaps are much narrower amongst established business owners, being very close or virtually non-existent in some provinces, such as Alberta or Nova Scotia.

Figure 3.4b Provincial Location of Women and Men in Established Business (EBO), 18-64 years, Canada, 2014



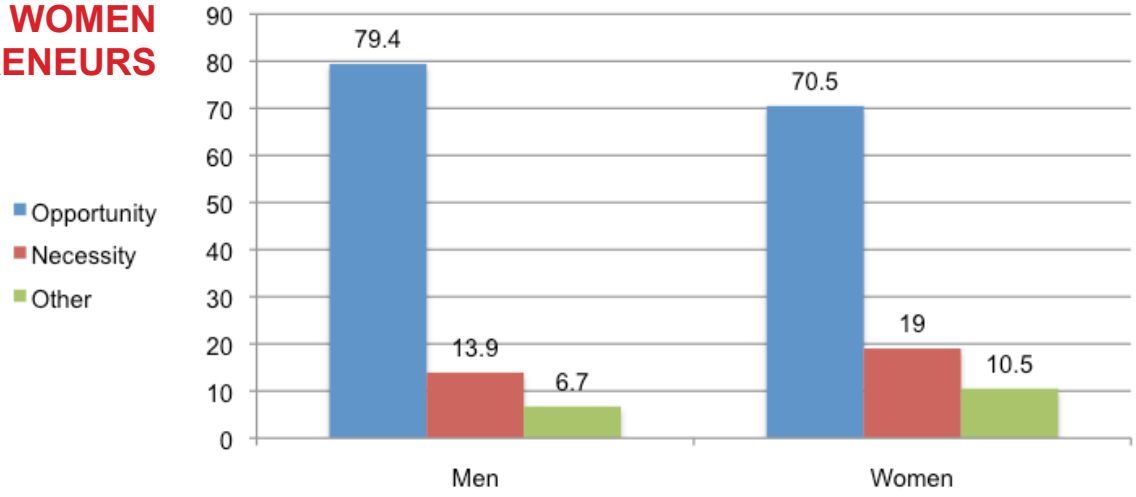
4. MOTIVATIONS, CAPABILITIES & INTENTIONS OF WOMEN ENTREPRENEURS

Understanding the motivations and attitudes of women entrepreneurs is important, especially for new entrants engaged in early-stage activity. Over the years there has been much debate about whether women tend to pursue 'opportunity-based' ventures (e.g. those driven by new ideas and innovation) to the same degree as men, or whether they are more likely to be to motivated by 'necessity-based' reasons (e.g. job loss, career barriers, or challenges in balancing work and family).[19] Equally important for gauging women's entrepreneurial success and intentions is an understanding of how well prepared they feel they are for business ownership, with respect to their knowledge, skills and experience (i.e. human capital), and their professional and entrepreneurial networks (i.e. social capital).

4.1 Gender and Motivations for Early-Stage Activity in Canada

Looking first at motivations, the *GEM Canada* survey asks participants to indicate if their business is motivated largely by opportunity, necessity, or other factors. As we can see from Figure 4.1, opportunity is the most common motivator for women and men. Nearly 80% of men, and just over 70% of women, are motivated by perceived opportunities, suggesting a positive attraction to business ownership. Having said this, there is a notable gender gap with respect to motivation, with nearly 30% of women reporting necessity-based or other reasons for starting a business. To the extent that necessity-based ventures are more likely to struggle, this is a potential source of concern.[20]

Figure 4.1 Motivations for Women and Men in Total Early-Stage Activity (TEA), 18-64 years, Canada, 2014 (% indicating this was their motivation for starting a business)



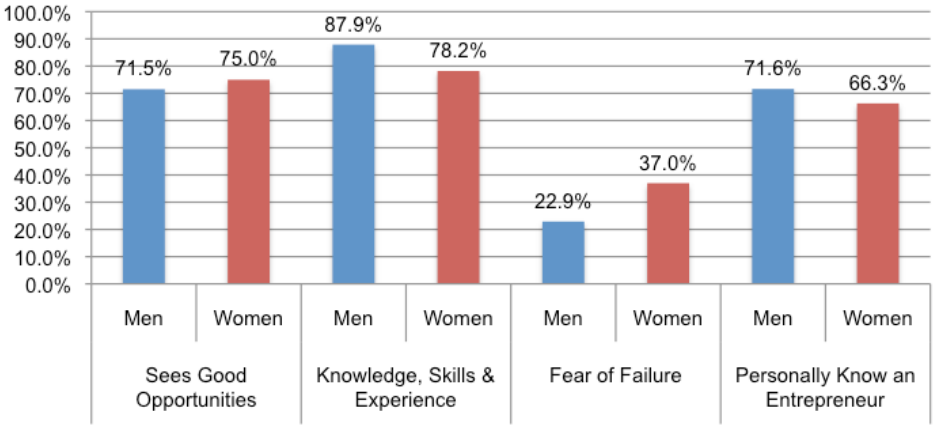
4.2 Gender, Attitudes & Capabilities in Early-Stage Activity in Canada

With respect to more specific attitudes and assessments of capabilities, especially for those in early-stage activity (TEA), we can see from Figure 4.2 that Canadian women have very positive attitudes towards entrepreneurship. The same is true for men. In 2014, women and men involved in early-stage activity perceived good opportunities for businesses in the short-term (i.e. next six months), and felt they were well equipped with the knowledge, skills, and experience required to successfully launch a business. Importantly, a good majority personally knew another entrepreneur, providing them with a measure of 'social capital' – that is, access to someone who could potentially provide valuable advice, mentoring, and information.

From the standpoint of gender, and understanding women's odds of success, Figure 4.2 highlights several points worth noting. First, while women are slightly more likely to see good opportunities than their male counterparts, they are actually less likely to feel they have the knowledge, skills, and experiences they need for success in starting a business—with a close to 10% gender gap on this item. Slightly

fewer women also personally know an entrepreneur, meaning they have lower social capital, and less potential access to information, mentoring, and support that can aid success. Finally, there is a sizable gender gap in reported 'fear of failure'. Women are far more likely than men to express such concerns (37.0% versus 22.9%). This trend has been noted in previous *GEM Global Women's Reports* and in academic studies,[21] and can be interpreted in various ways. For some it signals a need for women to build greater entrepreneurial self-efficacy and confidence—through training, mentoring, and greater business exposure. For others, the gap suggests that women may actually be more skilled or realistic in assessing risk and/or more willing to acknowledge it.[22]

Figure 4.2 Attitudes for Women and Men Involved in Total Early Stage Activity (TEA), 18-64 years, Canada, 2014 (% agreeing …)



4.3 Gender and Attitudes Amongst the Canadian Population

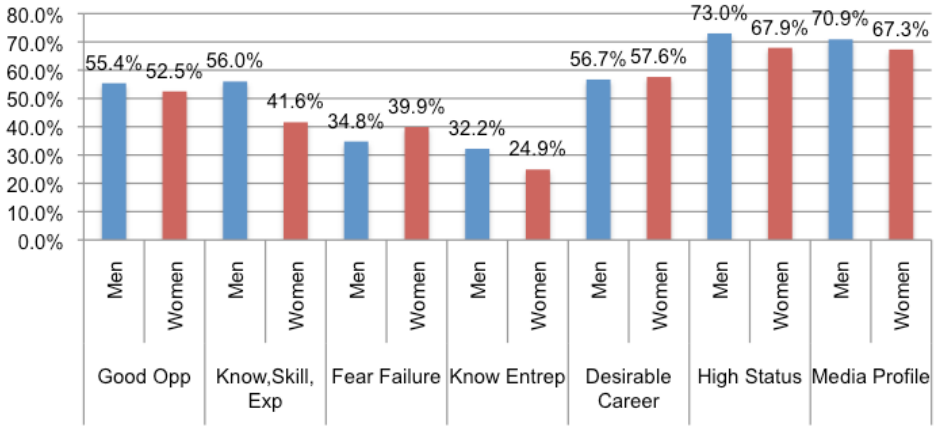
In thinking about building entrepreneurial capacity in Canada, it is helpful to know whether there are gender differences in attitudes towards entrepreneurship in the wider population—since attitudes play a key role in the likelihood launching a business. If women are less likely to believe they have the skills needed to run a business, or more likely to fear failure, for example, then they may also be much less likely to pursue business ideas and opportunities they see.

4. MOTIVATIONS, CAPABILITIES & INTENTIONS OF WOMEN ENTREPRENEURS

Figure 4.3 provides information about attitudes for the Canadian population as a whole (aged 18-99 years). As we can see, Canadians have positive attitudes towards entrepreneurship, with a majority agreeing that successful entrepreneurs have a high status and strong media presence. Over half of Canadians also see entrepreneurship as a good career choice, and perceive good short-term opportunities. Overall, gender differences on these items are small, but on other items there are notable gender gaps.

For example, with respect to human capital, a majority of men (56.0%) feel they have the knowledge, skills, and experience to launch a business, but the same is true for only 41.6% of women. With respect to social capital, only one-quarter of women personally know an entrepreneur (24.9%), compared to one-third of men (32.9%). This is a disadvantage for women, though it should also be noted that social capital for both groups is fairly low. Of note, the sizeable gender gap in fear of failure amongst early-stage entrepreneurs is much reduced in the general population, with women's being only somewhat more likely to report this concern as men.

Figure 4.3 Attitudes of Canadians Towards Entrepreneurship, by Gender, 18-99 years, Canada, 2014 (% agreeing …)



4.4 Women's Attitudes in Global Context

How do Canadian women's attitudes towards entrepreneurship compare with attitudes of women in other countries? We can explore this question by using data from the *GEM 2014 Survey* for women in Canada, and *GEM Surveys* done in other countries, including several G7 nations. To allow for comparisons between countries, we focus on the working-age population (18-64 years old).

As we can see in Table 4.4, Canadian women have quite positive attitudes relative to their female counterparts elsewhere. A majority (54.3%) perceived good opportunities, and over 40% believe they have knowledge, skills, and experience necessary to be successful. Just over one-quarter (26.8%) also know an entrepreneur—while, again, this indicates lower social capital than we might like to see, it is very much in line with women in many other countries, with the exception of Sweden. With respect to fear of failure, Canadian women are in the mid-range, showing lower levels than in some countries such as Germany and Australia, but higher levels than the U.S. and the U.K.

Table 4.4 Attitudes of Women in General Population, 18-64 years, Canada and Other Innovation-Based Economies, 2014 (% agreeing)

	Good Opportunities	Knowledge, Skill, Experience	Fear of Failure	Know Entrepreneur
Canada	54.3	41.9	42.3	26.8
U.S.	48.7	45.9	35.7	25.5
U.K.	38.0	37.9	38.3	28.2
Germany	33.0	28.7	54.7	20.5
Sweden	68.5	27.8	46.0	35.1
Australia	42.5	40.2	49.8	26.8

5. ECONOMIC IMPACT OF WOMEN'S ENTREPRENEURSHIP

Over the years, there has been considerable interest in the economic impact of women's entrepreneurship, as well as debate over whether a 'performance gap' exists between male- and female-led businesses. While many early academic studies found that women-led firms tended to 'underperform' relative to male-headed firms, more recent studies suggest a shifting terrain. In particular, studies that compare 'like with like'—controlling for industry, education and skills, financial capital, and work hours and effort—find a narrowing performance gap, if any at all. Thus, while women typically do launch smaller businesses, and grow them more slowly, when they choose to build and lead businesses that are similar to the 'typical' male-led firm, those businesses perform equally as well.[23]

Using the 2014 GEM Canada data, we explore several questions about economic impact and performance of women-led firms in Canada. Key areas of interest include employment levels, growth expectations, internationalization, and innovation.

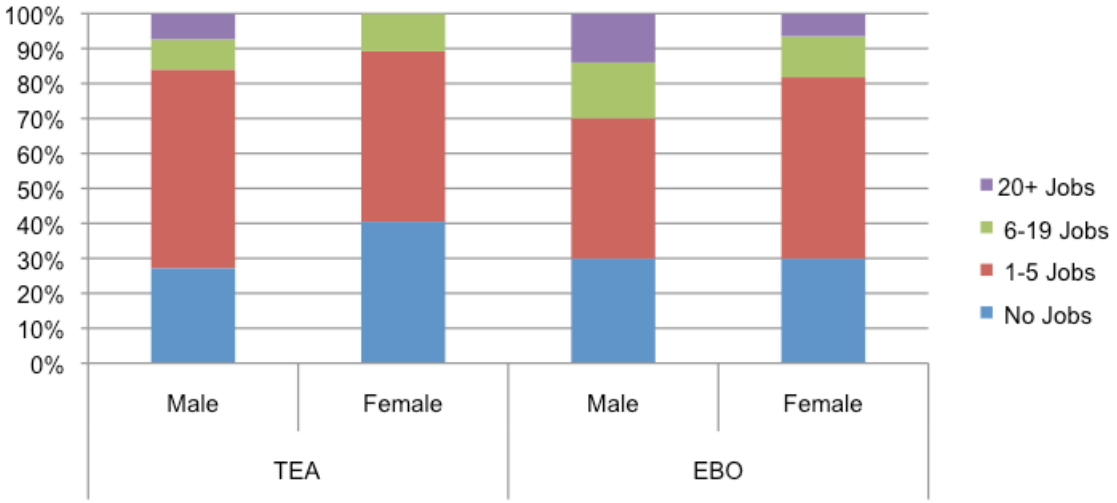
5.1 Employment and Job Creation

With respect to employment, the overall numbers suggest that the businesses Canadian women create are smaller than those of their male peers. Looking at 2014 figures for all entrepreneurs—early-stage and established combined—we can see that women are more likely than men to be 'solo entrepreneurs'—that is, in a firm with no employees.[24] Roughly one-third of women are in this group, compared to more than one-quarter of men. Women are also less likely to lead larger firms. More than 10% of men report businesses with 20+ employees, whereas this is the case for fewer than 5% of women.

Breaking these overall trends down for early-stage and established owners highlight key differences. As Figure 5.1 shows, women in early-stage activity have high rates of solo entrepreneurship, with 40% having no employees. But nearly half of early-stage women have been successful in generating 1-5 jobs, and another 10% have created higher employment levels (6-19 jobs). By comparison, men are less likely to run a solo business, and much more likely to have generated more employment in each job band, with nearly 10% running businesses with 20+ employees.

Shifting to the more established business stage, we can see that women here have had more success in generating employment, especially in the 1-5 jobs. We do see equal or greater success at the higher levels of job creation (6-19 jobs and 20+ jobs), even though employment levels continue to lag behind that of men.

Figure 5.1 Employment (Number of Jobs) for Women and Men in Total Early-Stage Activity (TEA) and Established Business (EBO), 18-64 years, Canada, 2014



5.2 Growth Expectations in the Next Five Years

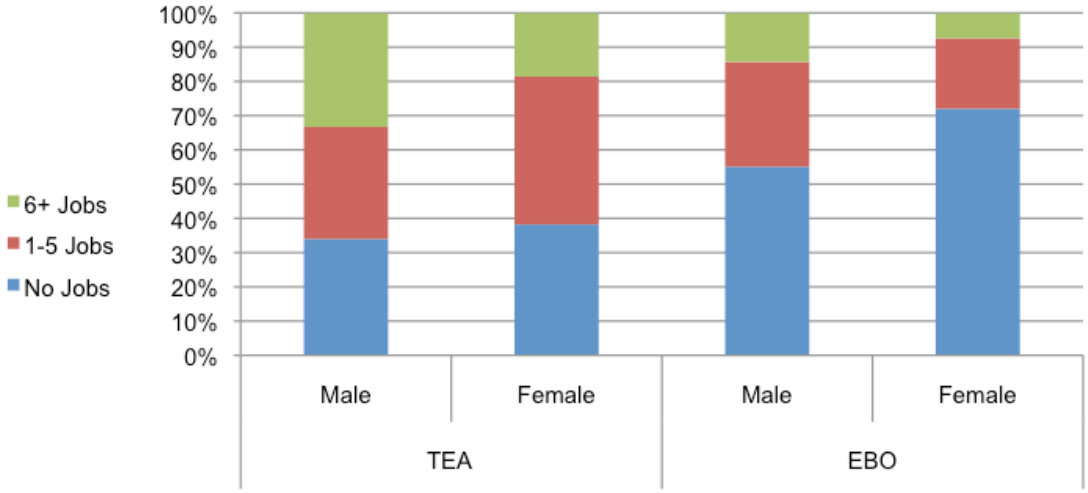
What about growth expectations for the future? Studies typically find important links between growth orientations and firm size, with women, on average, tending to have lower growth aspirations, on average, and preferences for more steady, controlled, growth.[25] The 2014 *GEM Canada* survey measures this with a question asking entrepreneurs about the number of jobs they expect to create in the next five years.

Looking at all entrepreneurs—early-stage and established combined—confirms that the majority expect to create jobs over the next five years, but that women are more likely to anticipate growth in lower numbers (1-5 job band). Men are more likely to anticipate generating higher job numbers, with one in four (26.0%) expecting to create 6+ jobs in the next five years, compared to just one in seven (14.4%) women.

5. ECONOMIC IMPACT OF WOMEN'S ENTREPRENEURSHIP

Business stage strongly shapes growth expectations, as we can see from Figure 5.2, though the gender gap is evident in both early-stage (TEA) and established firms (EBO). In keeping with other studies , we see that expectations for job growth are higher for younger firms, and decline markedly for established business. This is especially the case for female-led firms, with only 30% expecting to generate jobs over the next five years, predominantly in the 1-5 job band, and the vast majority expecting no job growth at all.

Figure 5.2 Expected Growth (Number of Jobs) in Next Five Years for Women and Men in Total Early-Stage Activity (TEA) and Established Business (EB0), 18-64 years, Canada, 2014



As a final point, it is helpful to place the employment levels and growth expectations of women-led firms into the broader international context. We can do this by comparing *GEM 2013 Survey* data for women in total early-stage activity in a number of countries. This confirms that many early-stage firms are relatively small (5 jobs or less), with significant proportions having no employees at all. At higher employment levels (6+ jobs) Canadian women are in the middle, behind countries such as the U.S. and Israel, with nearly 1 in 10 creating 6+ jobs. Looking to the future, one in five Canadian women expect to generate 6+ jobs in the next five years, lower than women's expectations in the U.S. and just ahead of those in Israel and the U.K.

Table 5.2 Employment and Expected Growth (Number of Jobs) for Women in Total Early Stage Activity (TEA), 18-64 years old, Canada and Other Innovation-Based Economies, 2013

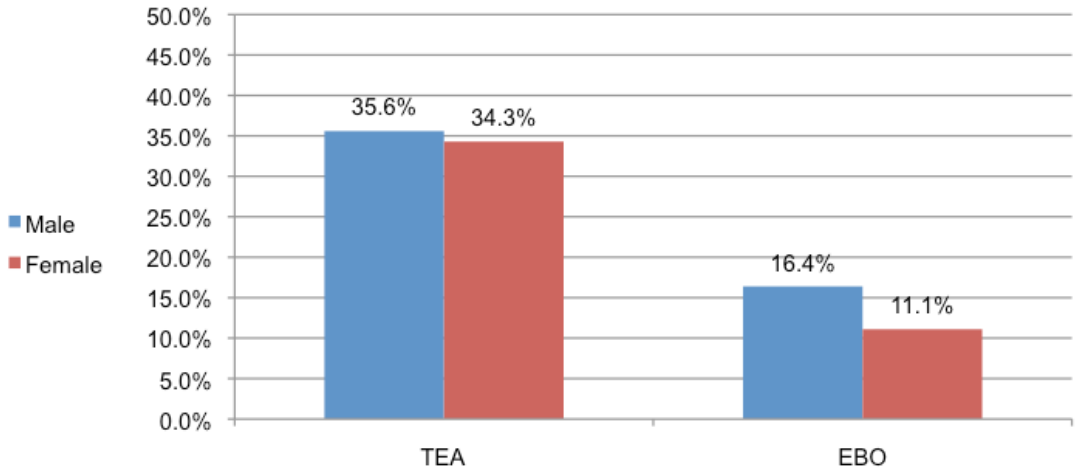
	Current Jobs			Growth Expectations
	0 jobs	1-5 jobs	6+ jobs	6+ jobs
Canada	50.0	40.9	9.1	20.8
U.S.	52.5	32.2	15.3	27.4
U.K.	55.7	37.6	6.7	18.0
Germany	38.5	57.7	3.8	9.6
Sweden	39.4	54.5	6.1	11.5
Israel	45.7	37.1	17.2	17.9

5.3 Innovation in Products, Services, and Markets

Innovation is a key consideration when discussing the impact of entrepreneurship. Both new and established firms make significant contributions when they are pursuing and developing novel products or services, creating new modes of delivery, or entering new markets. By contrast, 'imitative' and 'copycat' businesses have much less impact and, in many cases, struggle to succeed.

The GEM project captures innovation with questions about the novelty of product services, as well as markets. A combined measure captures these two dimensions. Looking at trends in Figure 5.3, shows some interesting patterns. First, early-stage firms are far more likely to be engaged in innovation than established firms, as we might expect. This is especially the case for women, who in early-stage ventures are three times as likely to report innovation (34.3%) than they are at the established firm stage (11.1%). Innovation is also more likely for early-stage male entrepreneurs, compared to their established counterparts, at roughly twice the rate. It is worth noting that, compared to many other performance indicators, the gender gap in innovation is quite narrow, and virtually non-existent amongst early-stage entrepreneurs.

Figure 5.3 Innovation in Product or Market, for Women and Men in Total-Early Stage Activity (TEA) and Established Business (EBO), Canada, 2014



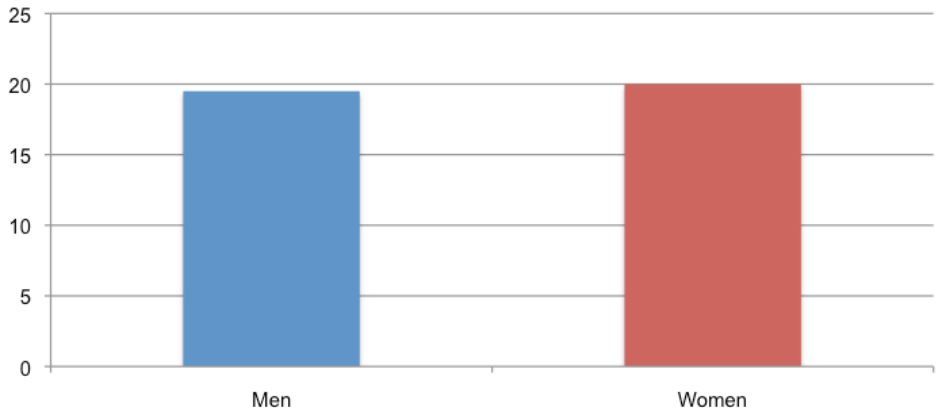
5.4 International Business and Exporting

Exporting products and services globally is a critical way for entrepreneurs to grow and expand their businesses, reaching new markets. For precisely these reasons, Canadian women's enterprise centres have taken great effort to support internationalization, working with government partners to promote trade for aspiring women entrepreneurs. Recent examples include the Canadian Business Women Trade Mission to Austin, Texas, led by Dr. Kellie Leitch, Minister of Status of Women, in June 2015.[27]

GEM Canada data for 2014 suggests strong parity in exporting amongst female and male-headed businesses. Roughly one in five women ran a business that had 25% or more of the customer base outside of the country. The same was true for men. This trend is notable when viewed against the *2012 Global GEM Women's Report* which reported strong gender gaps in internationalization for a number of countries.[28] For instance, just 7% of U.S. women involved in early-stage firms had 25% or more of customers outside of the country, compared to 16% of men. In developed European countries (grouped as

a region), 16% of women in early-stage firms had achieved that level of internationalization, compared to 22% of men. By these comparative standards, Canadian women in early-stage firms are doing well in entering new markets and expanding their customer base.

Figure 5.4 Exporting for Women and Men in Total Early-Stage Activity (TEA), Canada, 2014 (% reporting 25% or more Customers Outside of Country)



6. SATISFACTION, WORK-LIFE BALANCE AND WELL-BEING

In recent years there has been growing interest in issues of life satisfaction, happiness, and well-being, especially as it relates to economic and working life. Publications such as the OECD's (2013) *How's Life* and 'Better Life Index', as well as the *World Happiness Report*, provide information on well-being and satisfaction for a range of countries.[29] Given this interest, the *2013 GEM Survey* in Canada, and in other countries, included a special section to address this topic, allowing us to move beyond traditional economic indicators, to consider the social and subjective dimensions of entrepreneurship as well.

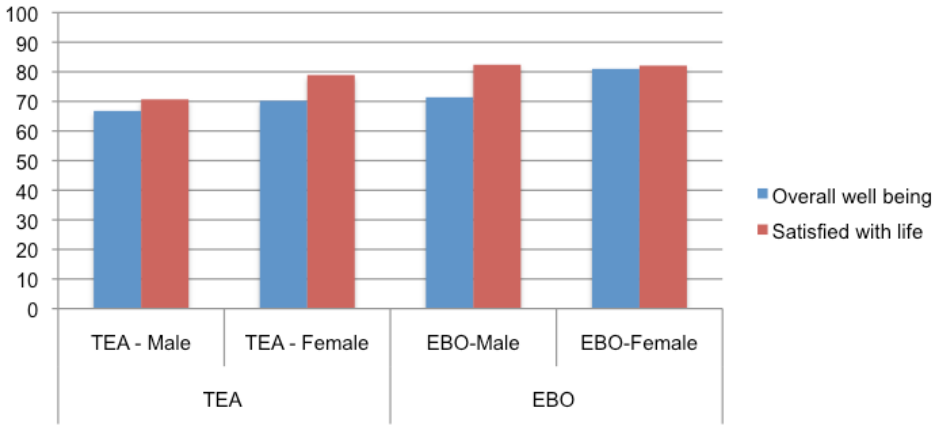
Questions about well-being and life satisfaction are particularly relevant to discussions of women's entrepreneurship. Many studies in Canada, and other countries, show that many women juggle work and family responsibilities, and face much higher demands than men in this regard. Studies also confirm that many women continue to encounter gender-related barriers in the workplace that erode job and life satisfaction (e.g. glass ceilings, gender bias).[30] Given this, many experts argue that business ownership may be especially attractive to women, giving them greater autonomy, opportunities, and control over their working lives.

6.1 Well-Being and Life Satisfaction

Overall, the *GEM Canada* data suggests that both female and male business owners report high levels of well-being and life satisfaction. Well-being is measured by agreement with the statement that *"The conditions of my life are excellent"*. Life satisfaction is measured by agreement with the statement: *"I am satisfied with my life"*.

Comparing well-being across groups (the blue bar), women do report somewhat higher levels than do men, especially at the established business stage (80% for women versus 70% for men). For life satisfaction, women and men are very similar at the established business stage, whereas women report higher life satisfaction than men in early-stage firms.

Figure 6.1 Well-Being and Life Satisfaction of Women and Men in Early-Stage Activity (TEA) and Established Business (EBO), 18-64 years, Canada, 2013 (% agreeing …)



6.2 Satisfaction with Work-Family Balance, Income, and Autonomy

Studies of job satisfaction have long noted the importance of looking at more detailed 'facets' of satisfaction[31] that provide insights on specific dimensions of work that individuals particularly value. Fortunately the *2013 GEM Canada* survey taps into several such dimensions, with questions about autonomy, work-family balance and time, and income.

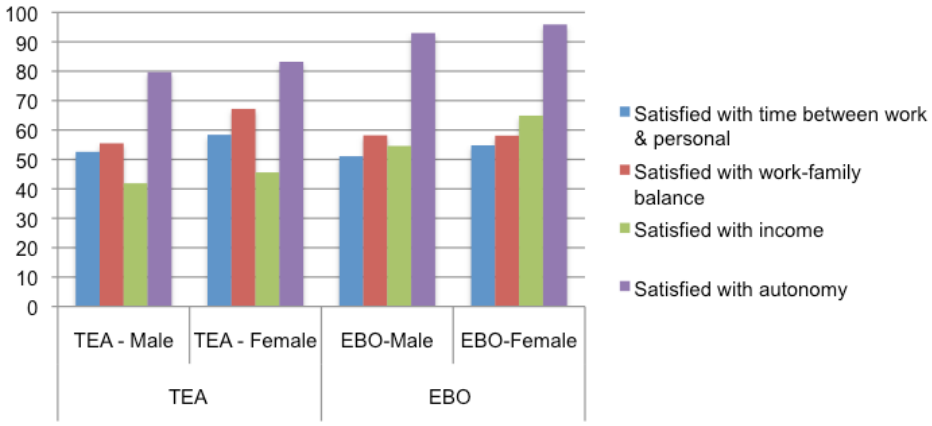
Figure 6.2 reveals some interesting variations between women and men, and across business stage. Overall, the highest levels of satisfaction are with the autonomy experienced as a business owner (represented by the purple bar). Women in established firms report the highest levels, with 95% indicating they are satisfied. Though men (both in early-stage and established businesses) indicate slightly lower satisfaction, the rates overall are still very high.

6. SATISFACTION, WORK-LIFE BALANCE AND WELL-BEING

Concerning work-family balance (represented by the red bar), and time between work and personal life (the blue bar), rates of satisfaction are much lower with just over 50-60% of most entrepreneurs agreeing they are satisfied with work-family balance. Of note, however, women in early-stage firms are the one exception to this, with over two-thirds expressing satisfaction with work-family balance, and nearly 60% satisfied with the time spent between work and personal activities. This difference may reflect a tendency—documented in many academic studies[32]—for some women with young families to opt into business ownership as a way to better balance work and family demands. Clearly not all early-stage female entrepreneurs are motivated by such factors, but certainly if there is a sub-group of early-stage women that are, this may help to explain the higher satisfaction levels on these items.

Satisfaction with income is the most dispersed, and the lowest in some cases. Not surprisingly, early-stage owners have the lowest levels of satisfaction, with just 41.9% of men, and 45.6% of women, agreeing they are satisfied with their earnings from the business. Satisfaction rises with business stage, especially for women. Indeed, nearly two-thirds of females in an established business are satisfied with income levels, compared to just 54.6% of men.

Figure 6.2 Satisfaction of Women and Men in Early-Stage Activity (TEA) and Established Business (EBO), Canada, 2013 (% agreeing …)



7. CONCLUSIONS

Overall, the *GEM Canada* 2014 and 2013 data confirm that Canadian women have a high level of interest and engagement in entrepreneurship. Although their activity rates vary across the country, and typically lag those of men, women have a strong presence in both early-stage and more established firms. Of note, in some provinces, such as Alberta and B.C., women's rates of entrepreneurship are close to, or on par, with the rates of men. Globally, Canada is clearly amongst the leaders in women's entrepreneurship in innovation-driven economies. In 2014, it had the 2nd highest rates of women's early-stage activity (behind the U.S. and tied with Australia), and the 4th highest rates for women in established firms.

Activity is certainly one important measure of accomplishment, speaking to the number or 'quantity' of women now involved in some form of business enterprise. From a historical standpoint, today's numbers are indeed remarkable given the low presence of women in this sector just a few short decades ago. Increasingly important, however, are measures that focus on the 'quality' of entrepreneurship and the businesses being created. Indeed, as the *2014 GEM Canada Report* makes clear, a key challenge for many innovation-driven countries is ensuring 'productive entrepreneurship' (p. 66) that sparks new ideas and approaches, and creates economic value.[33] Precisely how 'productive entrepreneurship' is defined, and envisioned, is a question that has been, and will continue to be, much debated. For some it means an emphasis on high growth firms or 'gazelles'; for others, what is needed is a more diverse mix of innovative firms of all types and sizes. Regardless, a key point concerns the importance of looking beyond pure activity levels, to focus on the economic and social contribution of existing firms, and their potential for innovation, impact, and growth.

In assessing the quality of women's entrepreneurship, the 2014 *GEM Canada* data highlights a number of important strengths. First, the vast majority of women's businesses are motivated by opportunity, suggesting a strong capacity for women to identify promising opportunities in the marketplace and to act upon them. Second, Canadian women bring high levels of human capital and education

to their businesses, which is a critical asset in a knowledge-based economy. Third, and related to education, there are an encouraging number of women entrepreneurs in early-stage activity (about one-third) who report innovation in products and markets—notably, on par with their male peers. Likewise, the reported focus on international markets and exporting for a sizeable minority of women business owners (again on par with men) bodes well for future growth and opportunities. Finally, looking beyond traditional economic performance indicators, Canadian women entrepreneurs report high levels of autonomy, life satisfaction, and well-being. These positive, and often overlooked, indicators of quality of working life highlight important impacts and contributions of entrepreneurship that may be attracting Canadian women to forge their own pathways outside of traditional workplaces.

Beyond these strengths of Canadian women's entrepreneurship, the 2014 *GEM Canada* data also highlights areas where attention is needed, and future gains can hopefully be made. Central here are issues of sector, size, skills, and support. First, with respect to industrial sector, a key takeaway concerns the need for women to diversify their business activity, especially in early-stage firms, where women's concentration in consumer services is extremely high. Canadian women are not alone in this, as comparisons to the *GEM International* data make clear. Yet, Canadian women in established firms have a much more diversified industrial profile, sending a strong message about the sectors where businesses endure. Change will take time and require multi-pronged efforts. Gendered pathways in the educational system and labour market still run deep, imprinting onto entrepreneurship and leading women to launch firms in traditional areas. Initiatives aimed at boosting women's presence in non-traditional fields, such as the SETT sectors (science, engineering, technology, trades), can have a positive ripple effect for women's entrepreneurship, building strong awareness of this option. So too start-up programs can encourage aspiring women entrepreneurs to consider how to parlay existing skills into less traditional sectors, as a number of high profile Canadian women entrepreneurs have successfully done. For instance, Lee McDonald, CEO of Southmedic Inc. built on a health care background

in creating an award winning medical supply manufacturing firm that now sells products in over 60 countries around the world.[34]

Related to sector, is the issue of size. The *GEM Canada* data shows clearly the small scale of many women-led firms in Canada. While the majority of women are employers, the most typical firm creates between 1-5 jobs. Canadian women's growth aspirations also appear to be fairly contained, though it bears noting that Canada is not alone in this regard amongst innovation-driven economies. With respect to business size and growth, it is important to recognize the diversity amongst women entrepreneurs. Not all women (or men for that matter) aspire to lead high-growth businesses. But there is clear evidence that a notable group of women entrepreneurs are growth-oriented. The *2014 GEM Canada* data identifies 10-20% of women in early-stage and established businesses who anticipate, or aspire, to growth in the next five years. A key question for this group is whether they can access the knowledge, resources, and support needed to grow their businesses.

Questions about growth lead directly to issues of skill development, learning, and support—which are central for building women's entrepreneurial capacity and success. From the standpoint of skill development, it is striking that despite the fact that Canadian women bring somewhat higher levels of human capital and education to their businesses than men, they are still less likely than men to feel they have the skills, knowledge and experience needed to be successful. Fear of potential failure as a business owner is also marked for women in early-stage firms. A sizeable minority of early-stage women also lack contact with other entrepreneurs, which limits much of the informal learning that occurs amongst entrepreneurs, and places them outside of valuable networks through which information and expertise flows.

Together, these findings suggest the need to continue the work of building a strong entrepreneurial ecosystem that supports women's entrepreneurial learning, mentoring, and skill development. To date, Canada has seen strong support for women's enterprise in many regions—for instance, the Women's Enterprise Centres in the western provinces of Manitoba, Saskatchewan, Alberta and B.C. have a very

7. CONCLUSIONS

successful track record in this regard.[35] Future efforts should continue to support women-led business at all stages, while recognizing the need to support greater diversification and growth. As the recent federal *Expert Panel on Championing and Mentorship for Women Entrepreneurs* notes, there is a need for more growth-oriented programming that can support and mentor already established women entrepreneurs seeking to move their business to the next level.[36] Recent initiatives, such as the *Alberta Women Entrepreneurs Growth Excelerator Program*, are beginning to address this gap.[37] Building this type of programming and support more widely into Canada's entrepreneurial ecosystem, will be an important step for enhancing women's opportunities for learning, growth, and success.

8. SELECTED RESOURCES ON WOMEN ENTREPRENEURS

Allen, I. Elaine, Nan Langowitz, Maria Minniti. 2007. *Global Entrepreneurship Monitor 2006 Women's Report* [www.gemconsortium.org/docs/download/280].

Allen, I. Elaine, Amanda Elam, Nan Langowitz and Monica Dean. 2008. *Global Entrepreneurship Monitor 2007 Women's Report* [www.gemconsortium.org/docs/download/281].

Brush, Candida G., Nancy M. Carter, Elizabeth J. Gatewood, Patricia G. Greene, Myra M. Hart, eds. 2006. *Growth-Oriented Women Entrepreneurs and their Businesses: A Global Research Perspective*. Edward Elgar Publishing.

Canada. Industry Canada. 2015. *Majority Female-Owned Small and Medium-Sized Enterprises*. Special Edition: Key Small Business Statistics. Ottawa: Industry Canada. Available on-line at: http://www.ic.gc.ca/eic/site/061.nsf/eng/h_02966.html

Canada. Status of Women Canada. 2015. *Report of the Expert Panel on Championing and Mentoring for Women Entrepreneurs*. Ottawa: Status of Women Canada. Available on-line at: http://www.swc-cfc.gc.ca/initiatives/ep-ce/ep-ce-en.pdf

Coleman, Susan and Alicia M. Robb. 2012. *A Rising Tide: Financing Strategies for Women-Owned Firms*. Stanford University Press.

Hughes, Karen D. 2005. *Female Enterprise in the New Economy*. University of Toronto Press.

Hughes, Karen D. and Jennifer E. Jennings, eds. 2012. *Global Women's Entrepreneurship Research: Diverse Settings, Questions and Approaches*. Cheltenham/Northampton: Edward Elgar Publishing.

Hughes, Karen D. and Jennifer E. Jennings. 2015. *"Women Entrepreneurs"* in Oxford On-Line Bibliographies.

International Journal of Gender and Entrepreneurship. [http://www.emeraldinsight.com/journal/ijge]

8. SELECTED RESOURCES ON WOMEN ENTREPRENEURS

Kelley, Donna J., Candida G. Brush, Patricia G. Greene, and Yana Litovsky. 2011. *Global Entrepreneurship Monitor 2010 Women's Report* [http://www.gemconsortium.org/docs/768/gem-2010-womens-report].

Kelley, Donna J., Candida G. Brush, Patricia G. Greene, and Yana Litovsky. 2013. *Global Entrepreneurship Monitor 2012 Women's Report* [http://www.gemconsortium.org/docs/2825/gem-2012-womens-report].

Orser, Barbara and Catherine Elliott. 2015. *Feminine Capital: Unlocking the Power of Women Entrepreneurs*. Stanford University Press.

NOTES AND BIBLIOGRAPHY

[1] For valuable discussions of women's entrepreneurship in Canada, see Hughes, K.D. (2006) *Female Enterprise in the New Economy*, University of Toronto Press; Orser, B. and C. Elliott (2015) *Feminine Capital: Unlocking the Power of Women Entrepreneurs*, Stanford University Press; and Jennings. J.E. and M. Provorny Cash (2006) "Women's Entrepreneurship in Canada: Progress, Puzzles and Priorities" in Brush, C.G. et al., N.M. Carter, E.J. Gatewood, P.G. Greene, and M.M. Hart, eds (2006) *Growth Oriented Women Entrepreneurs and their Businesses: A Global Research Perspective*. Edward Elgar.

[2] Details on the Annual PROFIT/Chatelaine Top 100 Entrepreneurs List can be found at: http://www.profitguide.com/microsite/profitw100/2015

[3] Available on-line at: http://www.swc-cfc.gc.ca/initiatives/ep-ce/ep-ce-en.html

[4] For information about the Task Force on Women's Business Growth, visit: http://sites.telfer.uottawa.ca/womensenterprise/

[5] Available on-line at: file:///Users/khughes/Desktop/Canada_Prime_Ministers_Task_Force_Report-en.pdf

[6] Langford, C.H., P. Josty, and J.A. Holbrook (2014) *2013 GEM Canada National Report*; and Langford, C.H. and P. Josty (2015) *2014 GEM Canada National Report*.

[7] Kelley, D.J., C. Brush, P.G. Greene, Y. Litovsky (2013) *Global Women's Entrepreneurship Monitor 2012 Women's Report*. See also Allen et al. (2008) and Allen et al. (2007).

[8] Robichaud et al. (2005) *A Comparison of Female and Male Entrepreneurs—Insights from GEM Canada*. Presented at the GEM Conference, Budapest, Hungary, May 2005.

[9] Questions about quality of working life and work-life balance are not annual items on the GEM Surveys but were included as part of a special section on the 2013 GEM Survey.

NOTES AND BIBLIOGRAPHY

[10] Reynolds, P., M. Hayand and S.M. Camp (1999). *Global Entrepreneurship Monitor, 1999 Executive Report*.

[11] Available on-line at: www.weforum.org/issues/global-competitiveness. For the most recent discussion of country groupings, see p. 11 of Singer, S., J.E. Amorós and D. Moska (2015) *Global Entrepreneurship Monitor 2014 Global Report*.

[12] The *2014 GEM Canada Survey* had 2,497 respondents, while the 2013 GEM Canada Survey had 3,286 respondents. For the bulk of analysis, we focus on the working age population (18-64 years old). For some topics, such as attitudes towards entrepreneurship, we examine trends for the entire adult population (18-99 years old).

[13] See, for example, Brush, C.G. et al, eds. (2006) *Growth-Oriented Women Entrepreneurs and their Businesses: A Global Research Perspective*. Cheltenham: Edward Elgar; Coleman, S. and A.M. Robb (2012) *A Rising Tide: Financing Strategies for Women-Owned Firms*. Stanford University Press.

[14] Davis, A. and K. Shaver (2012) "Understanding Gender Variations in Business Growth Intentions Across the Life Course." *Entrepreneurship Theory and Practice*, 36.3: 495–512.

[15] Dolinsky, A.L., R.K. Caputo, K. Pasumarty and H. Quazi (2003) "The Effects of Education on Business Ownership: A Longitudinal Study of Women." *Entrepreneurship Theory and Practice*, 17.1: 43-53; Ettl, K. and F. Welter (2010) "Gender, Context and Entrepreneurial Learning." *International Journal of Gender and Entrepreneurship*, 2.2: 108-129; Rivard, P. (2014) *Growth or Profitability First? The Case of Small and Medium-Sized Enterprises in Canada*. Ottawa: Industry Canada; Hughes, K.D. (2001) *Self-Employment, Skill Development and Training in Canada*. Ottawa: Human Resources Development Canada;

[16] See, for example, Brush, C.G. et al, eds. (2006) *Growth-Oriented Women Entrepreneurs and their Businesses: A Global Research Perspective*.

[17] For useful discussions of the KIBS sector, see Muller and Dolreaux (2009) "What We Should Know about Knowledge-Intensive Business Services", *Technology in Society*, 31: 64-72; and the Conference Board of Canada assessment of the KIBS in Canada at: http://www.conferenceboard.ca/hcp/details/innovation/knowledge-intensive-services.aspx

[18] For example, see World Economic Forum (2013) *Entrepreneurial Ecosystems Around the World and Company Growth Dynamics*; Isenberg, D. (2011) "Introducing the Entrepreneurial Ecosystem: Four Defining Characteristics." Forbes, May 25; Mason, C. and R. Brown (2014) *Entrepreneurial Ecosystems and Growth Oriented Entrepreneurship*. Paris: OECD.

[19] For a comparative discussion on motivations using GEM data, see Langowitz, N. and M. Minniti (2007) "The Entrepreneurial Propensity of Women." *Entrepreneurship Theory and Practice*, 31.3: 341-364. For broader discussions of motivation, see Carter, N., W. Gartner, K. Shaver, and E. Gatewood (2003) "The Career Reasons of Nascent Entrepreneurs." *Journal of Business Venturing*, 18.1: 13-39; and Hughes, K.D. (2003) "Pushed or Pulled? Women's Entry into Self-Employment and Small Business Ownership." *Gender, Work & Organization*, 10.4: 433–454.

[20] For discussion of necessity-based entrepreneurship in Canada, see Hughes. K.D. (2006) *Female Entrepreneurship in the New Economy*.

[21] See Kelley, D.J., C. Brush, P.G. Greene, Y. Litovsky (2013) *Global Women's Entrepreneurship Monitor 2012 Women's Report*.

NOTES AND BIBLIOGRAPHY

[22] Valuable discussions of self-efficacy are found in: Wilson, F., J. Kickul and D. Marlino (2007) "Gender, Entrepreneurial Self-Efficacy, and Entrepreneurial Career Intentions: Implications for Entrepreneurship Education." *Entrepreneurship Theory and Practice*, 13.3: 387-406; Dempsey, D. and J.E. Jennings (2014) "Gender and Entrepreneurial Self- Efficacy: A Learning Perspective." *International Journal of Gender and Entrepreneurship*, 6.1: 28–49. For discussions of gender and risk assessment, see Maxfield, S., M. Shapiro, S. Vipin, and S. Hass (2010) "Gender and Risk: Women, Risk Taking and Risk Aversion", *Gender in Management* 25(7): 586-604.

[23] For important discussions of gender and business performance, see Du Reitz, A. and M. Henrekson (2000) "Testing the Female Underperformance Hypothesis." *Small Business Economics*, 14.1: 1-10; Watson, J. and S. Robinson (2003) "Adjusting For Risk in Comparing the Performances of Male- and Female-Controlled SMEs." *Journal of Business Venturing*, 18.6: 773-788; and Robb, A.M. and J. Watson (2012) "Gender Differences in Firm Performance: Evidence From New Ventures in The United States." *Journal of Business Venturing*, 27.5: 544-558

[24] For discussions of 'solo entrepreneurship', see Hughes, K.D. (2006) *Female Enterprise in the New Economy*; and Caprino, K. (2013) "Ready to Chuck Your Corporate Job? Solopreneurship a Growing Movement for Women", *Forbes*, Feb 26.

[25] See Davis, A. and K. Shaver (2012) "Understanding Gender Variations in Business Growth Intentions across the Life Course." *Entrepreneurship Theory and Practice* 36.3: 495–512; Cliff, J.E. (1998) "Does One Size Fit All? Exploring the Relationship between Attitudes towards Growth, Gender, and Business Size." *Journal of Business Venturing*, 13.6: 523–542.

[26] For discussion on this point see Chapter 2 in Langford, C.H. and P. Josty (2015) *2014 GEM Canada National Report*.

[27] For details, see http://www.swc-cfc.gc.ca/initiatives/mission/index-en.html and http://www.international.gc.ca/media/comm/news-communiques/2015/06/25a.aspx?lang=eng

[28] See discussion on p. 36 of Kelley, D.J., C. Brush, P.G. Greene, Y. Litovsky (2013) *Global Women's Entrepreneurship Monitor 2012 Women's Report*.

[29] See OECD (2013) *How's Life* at: http://www.oecd.org/statistics/how-s-life-23089679.htm; the OECD 'Better Life Index' at: http://www.oecdbetterlifeindex.org/topics/jobs/; Helliwell, J.F., R. Layard, and J.D. Sachs (eds) *The World Happiness Report* at: http://worldhappiness.report/

[30] See England, P. (2010) "The Gender Revolution: Uneven and Stalled", *Gender and Society* 24.2: 149-166; Krahn, H., K.D. Hughes and G. Lowe (2015) "Gender and Paid Employment" in *Work, Industry and Canadian Society*; and McKinsey & Co. and Lean In (2015) *Women in the Workplace* 2015 at: http://womenintheworkplace.com/

[31] See Spector, P. (1997) *Job Satisfaction: Application, Assessment, Causes and Consequences*. Sage Publications.

[32] For example, see Arai, B. (2000) 'Self-Employment as a Response to the Double Day for Women and Men in Canada." *Canadian Review of Sociology*, 37.2: 125-142; Budig, M. (2006) "Intersections on the Road to Self-Employment: Gender, Family and Occupational Class". *Social Forces*, 84.4: 2223-2239.

[33] See Langford, C.H. and P. Josty (2015) *2014 GEM Canada National Report*. For valuable discussions on this point also noted in Langford and Josty (2015) see articles by Shane, S. (2009) "Why Encouraging More People to Become Entrepreneurs is Bad Public Policy", *Small Business Economics* 33: 141-149; and Baumol, W.J. (1996) "Entrepreneurship: productive, unproductive and destructive", *Journal of Business Venturing*, 11.1: 3-22.

NOTES AND BIBLIOGRAPHY

[34] Information about Southmedic Inc is available at: http://southmedic.com/home/

[35] Western Economic Diversification (2014) Evaluation of the Women's Enterprise Initiative; see also Orser, B. and A. Riding (2006) "Gender-Based Small Business Programming: The Case of the Women's Enterprise Initiative", *Journal of Small Business and Entrepreneurship* 19(2): 143-166.

[36] See Sections 4 and 6 of the report available on-line at: http://www.swc-cfc.gc.ca/initiatives/ep-ce/ep-ce-en.html

[37] Details about the AWE Excelerator program are available at: http://www.awebusiness.com/programs/mentorship

GEM CANADA TEAM

Peter Josty *Team Leader*	The Centre for Innovation Studies (THECIS), Calgary
Adam Holbrook *Deputy Team Leader*	Centre for Policy Research on Science and Technology (CPROST), Simon Fraser University, Vancouver
Blair Winsor	Memorial University, St John's, Newfoundland
Jacqueline S. Walsh	Memorial University, Cornerbrook, Newfoundland
Harvey Johnstone	Cape Breton University, Sydney, Nova Scotia
Kevin McKague	Cape Breton University, Sydney, Nova Scotia
Yves Bourgeois	University of New Brunswick, Moncton, New Brunswick
Allison Ramsay	University of Prince Edward Island, Charlottetown, PEI
Étienne St-Jean	UQTR, Trois Rivieres, Québec
Marc Duhamel	UQTR, Trois Rivieres, Québec
Charles Davis	Ryerson University, Toronto, Ontario
Dave Valliere	Ryerson University, Toronto, Ontario
Howard Lin	Ryerson University, Toronto, Ontario
Neil Wolff	Ryerson University, Toronto, Ontario
Nathan Greidanus	Asper School of Business University of Manitoba, Winnipeg.
Chris Street	University of Regina; Regina, Saskatchewan
Cooper Langford	University of Calgary, Calgary, Alberta
Chad Saunders	University of Calgary Calgary, Alberta
Karen D. Hughes	University of Alberta Edmonton, Alberta
Brian Wixted	Centre for Policy Research on Science and Technology (CPROST) Simon Fraser University, Vancouver
Murat Erogul	Thompson Rivers University, BC

THECIS (The Centre for Innovation Studies) is a not for profit organization devoted to study and promotion of innovation. Based in Calgary, Alberta, and Incorporated in 2001, it operates through a network of 35-40 **THECIS** Fellows.

THECIS has three **core functions** – research, networking and education.

- **Research.** Creating new knowledge and building insights into how the innovation systems functions and policies that can improve it.
- **Networking.** Providing opportunities for exchange of ideas through breakfast meetings, workshops and conferences.
- **Education.** Dissemination of information through Newsletters, events and other informal education activities, particularly for graduate students.

For more information about THECIS go to www.thecis.ca

The Centre for Innovation Studies (THECIS)

#125, Alastair Ross Technology Centre
3553 31 Street NW
Calgary, Alberta, Canada T2L 2K7

More information

For more information on the GEM Canada 2014 report, please contact ***Peter Josty***, p.josty@thecis.ca

For more information on the GEM global reports and on GEM, please contact the GEM Executive Director, ***Mike Herrington***, at MHerrington@gemconsortium.org

The 2014 GEM Canada report is available at www.gemcanada.org

The 2014 GEM Global report is available at www.gemconsortium.org

Although GEM data were used in the preparation of this report, their interpretation and use are the sole responsibility of the authors and the GEM Canada team.

In addition to the 2014 GEM Canada report, there will be provincial reports published for Alberta, Ontario, Quebec and Nova Scotia. These will be available at www.gemcanada.org in due course.

SPONSOR RECOGNITION

The GEM Canada Project would not be possible without the support and encouragement of many supporters and funders. We would like to thank the Alberta School of Business and Alberta Women Entrepreneurs for their leadership role in sponsoring the *GEM Canada Report on Women's Entrepreneurship*. We also acknowledge with thanks the ongoing support on the GEM Canada Project from a number of other organizations. The author would also like to thank Kaily Furlot for her excellent research assistance, and Peter Josty and Cooper Langford for their helpful comments on the report. The author's work on this project was supported in part by the Social Sciences and Humanities Research Council (Grant No. 435-2014-0657).

This research was supported by the Social Sciences and Humanities Research Council of Canada

REPORT AUTHOR

Karen D. Hughes is a Professor in the Department of Strategic Management and Organization (School of Business) and Department of Sociology (Faculty of Arts) at the University of Alberta. She holds a PhD from the University of Cambridge. She has published widely on issues related to women's entrepreneurship, women's leadership, and gender and economic change, and is the author of *Female Enterprise in the New Economy*. She is a GEM Canada team member, and currently serves as an editorial board member for the journal *Gender in Management*. She is also a member of *Diana International*, a leading global academic network for research on women entrepreneurs.

NOTES

Global Entrepreneurship Monitor

Global Entrepreneurship Research Association
London Business School
Regents Park, London NW1 4SA, UK.

+44 796 690 81 71
info@gemconsortium.org

www.gemconsortium.org

The Centre for Innovation Studies (THECIS)
#125, Alastair Ross Technology Centre
3553 31 Street NW
Calgary, Alberta, Canada T2L 2K7

www.thecis.ca

GEM Canada Report on
Women's Entrepreneurship
2013 & 2014