



Maximising women's contribution to future economic growth

June 2013



Foreword



Ruby McGregor-Smith, CBE
Chair of the Women's
Business Council

The UK faces unprecedented challenges in the current financial climate, with businesses operating in one of the toughest economic situations the UK has ever seen.

It has never been more important to fully capitalise on the skills and talents of all people, regardless of their gender. I passionately believe that by creating opportunity for all, raising aspirations and enabling people to maximise their talents, we will deliver stronger economic growth.

Today's workforce is changing and is becoming more diverse, however further change is required to create a national skills base that can meet the demands of a global market. If we don't take action to address this, the economic impact will be significant and we will lose competitiveness internationally.

It is for these reasons that the work of the Women's Business Council could not be more timely.

As a working mother with two children I know the challenges faced in balancing a career and family life. I agreed to chair the WBC in order to make a difference, to make things better for the next generation and to ensure our children do not face the same barriers I faced. I believe in choices at every stage of our lives. I fully respect the choice of parents to stay at home with their families, but those who do wish to return to their career should be able to do so and have the opportunity to fulfil their potential.

Our national economy needs women's contribution, and action is required to remove the obstacles that currently restrict women from realising their full potential. These obstacles appear at all stages of women's working lives and I am committed to working to reduce their impact.

To achieve this, we urgently need to broaden girls' aspirations and career choices. We need to create a business culture that embraces flexible working and provides better support for working parents. We need to support more women in setting up their own businesses. We need to ensure that at every stage of a woman's career she has the opportunity to learn skills, develop and contribute in a dynamic business environment. If we can achieve this, we will unblock the talent pipeline that for so long has restricted women from reaching the most senior levels in business – and we will deliver economic growth.

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We need to ensure that at every stage of a woman's career they have the opportunity to learn skills, develop and contribute in a dynamic business environment

Our recommendations are addressed to both Government and business, and cover women's opportunities at all stages of their working lives. The strategy we set out looks to the future, and will actively support growth over the long term. In developing these recommendations we have considered a broad range of existing research, whilst also commissioning new research that provides further evidence in support of the link between high performance and gender diversity.

Creating better business cultures attracts the best talent to organisations. Our evidence shows that businesses with more diverse workforces are stronger performers, better at supporting individual needs, and more attuned to their customer base. Many of the best employers and businesses are ahead of the game in recognising this. There are individual examples of best practice where our recommendations are already delivering results. But more needs to be done.

The WBC membership was drawn from a wide range of business sectors and they have brought significant experience, insight and commitment to the table. I would like to thank all the members of the WBC, our partners and the Government Equalities Office for their support. We will continue to work with the Government and business to ensure that our recommendations are implemented, progress is made and activity is accelerated in those areas where there is much to gain.

Now is the time for action. Through the implementation of these recommendations we have the opportunity to raise aspirations and allow talented people to reach their long term potential – ultimately, this will improve the talent pipeline and drive economic growth, positioning the economy for success.

Ruby McGregor-Smith, CBE

Executive summary

The Women's Business Council was set up in 2012 to advise Government on how women's contribution to growth can be optimised. Our aim has been to focus on areas with the greatest potential economic benefit and on recommendations with a clear economic case for action.

There are currently 2.4 million women who are not working and **want to work.**



There is an overwhelming business case, supported by strong evidence, for maximising women's contribution to the UK's economic growth agenda

While women need work, work also needs women. By equalising the labour force participation rates of men and women, the UK could further increase GDP per capita growth by 0.5 percentage points per year, with potential gains of 10% of GDP by 2030. There are over 2.4 million women who are not in work but want to work, and over 1.3 million women who want to increase the number of hours they work. We need to unblock this mismatch and optimise the potential for the UK's economic growth.

We urgently need to broaden girls' aspirations and career choices by creating a greater partnership between schools, career development professionals, business and parents

Investment in the futures of girls and young women allows us to maximise their economic potential, provide the greatest return and increase the UK's competitiveness in a global market. Girls tend to do well at school, but this does not always translate into their ambition. They also tend to end up concentrated in sectors that offer narrower scope for reward, and are under-represented in areas of skills shortages and high potential, such as science, technology, engineering and maths (STEM).

We have made several recommendations for action in this area. The key ones are:

- A culture change in careers provision for young people and adults is needed. Business, careers professionals and schools should work together to ensure increased access to high quality work experience and job shadowing. As part of this, employers should commit to ensuring their graduates, trainees and apprentices visit schools regularly to act as role models and deliver more accessible, first-hand insights about the range of career opportunities available.
- The Government should report on how it plans to implement the findings of Ofsted's report on careers advice and information, including how it will actively engage with industry and business to improve careers guidance and deliver results.
- A more cohesive approach should be taken by business and Government to encourage girls into STEM subjects and STEM careers.

There are over 1.3 million women who want to work more hours.



Business culture needs to embrace the benefits of flexible working and support for working parents

Women in the middle phase of their working lives are looking to capitalise on the progress they have made, either by securing their positions or looking to move into senior and managerial roles. This is also a time when many women will have children, and can experience a downward shift in status. Three issues are critical at this point: how business manages talent; the cost and availability of childcare; and a working arrangement and culture which gives some degree of flexibility on how long, where and when they work. This can be in terms of working time, working location and pattern of working.

We have made several recommendations for action in this area. The key ones are:

- Business should, wherever possible and practical, offer employment contracts which reflect the needs of the job itself rather than when or where the work is to be done.
- Business should do more to help mothers when returning to work, including effective return to work procedures, work experience for mothers taking career breaks and talent management schemes.
- Government should closely monitor the implementation of the Childcare Commission's welcome recommendations on changing the tax system in order to reduce the financial burden carried by working parents. If the economic climate allows this should be expanded further, as we firmly believe this will aid economic growth.

By equalising men's and women's economic participation rates we could add more than 10% to the size of the economy by 2030.



Women in the third phase of their working lives offer tremendous untapped potential and opportunity for economic growth

The UK population is ageing, and the average age at retirement is increasing. This provides a growing resource for economic growth – and for women's financial independence in later life. Key challenges for many women in the third phase of their working lives are to keep their skills updated and learn new ones in order to take advantage of employment opportunities in growing sectors. For others, the main challenge is the need to reduce their hours to accommodate increased caring responsibilities for children, grandchildren and ageing parents.

We have made several recommendations for action in this area. The key ones are:

- Government should appoint a business champion for workers in the third phase of their working lives to promote the business benefits of recruiting and retaining this group. They should work with key business, skills and career development organisations to steer effective change in support services for these staff.
- Business should review the flexible working opportunities they provide for third phase staff, and should network and share good practice on how to manage a multigenerational workforce.
- Government should work with local authorities and Local Enterprise Partnerships to test assistive technology and IT for carers, to increase the support available to carers who want to remain in the workplace.

There is enormous potential in women's untapped entrepreneurialism, and a strong case for providing more support for women who want to set up their own businesses

Enterprise is vital for economic growth, national competitiveness and innovation. If women were setting up and running new businesses at the same rate as men, we could have an extra one million female entrepreneurs. They are currently only half as likely to do this, and they and the economy pay the price.

We have made several recommendations for action in this area. The key ones are:

- Business should utilise the British Chambers of Commerce women's business networks and support joint working between schools and organisations like Everywoman, to promote an industry-led approach that will raise girls' awareness of enterprise as a career opportunity.
- Financial institutions should ensure they market their services to women who want to set up their own business.
- Government should broaden its messages on what an enterprise is and ensure inclusive marketing of support services, in recognition of the differences between male and female entrepreneurs.

Summary

Taken together, these actions represent a road map for clear and achievable gains. Many of them build on current initiatives, or align existing activities. We have been aware throughout of the need to avoid excessive burden on either business or Government – indeed we do not believe that it is necessary for action to be burdensome to be effective. We are at a turning point in women's economic development: the current economic situation is difficult for us all, but also provides an opportunity for gaining overdue recognition of the vital contribution of women to our country's national prosperity.

The time to act is now. The recovery from the financial crisis and recession in 2008-09 has been slow and faltering, and businesses across the country (as well as Government departments) are doing all they can to get the economy moving. The UK will not be able to meet its potential unless we use the talents, skills and experience of all.

Introduction

The WBC approach

The Women's Business Council is an independent, one-year working group that was set up by the Government in 2012 with the aim of ensuring real action by Government, business and others to maximise women's contribution to economic growth. Its members are all business people working in a range of sectors – including advertising, recruitment, social media, enterprise, retail, legal, financial and pharmaceutical – who have been brought together to drive this agenda forward. What we have in common is experience in business and commitment to equal opportunities for women. The full membership is listed in Annex A on [page X](#).

Our approach was governed by a focus on how to maximise economic growth. We wanted to make a set of recommendations that not only spoke to the current context, but were strategic and had longevity. For this reason we took a snapshot in time of the current barriers faced by women throughout their working lives and sought to make recommendations which would not only improve the situation now, but would have a legacy, ensuring that in ten years' time our current cohort of girls and young women will not be stuck in the same place facing the same issues.

We reviewed the lifecycle of women and work, focusing on common experiences at each stage of life and the key transitions where potential is lost.

We see the tangible business benefits that come from ensuring that women enjoy the same opportunities for meaningful work and career development as men.

In **Starting out**, we consider education and the transition into work. It is clear that, whilst girls are out-performing boys in academic achievement, they are still much less likely to choose the subjects that lead to higher earnings in later life. By providing better careers advice and information, work experience and 'job-ready' skills (that aren't hampered by gender stereotypes) we will improve the talent pool in the UK labour market. Also, by increasing the supply of interested and able young people in areas where there are skills shortages and projected future demand for jobs (particularly in science, technology, engineering and mathematics – STEM subjects), we will improve the competitiveness of British business.

Getting on – the middle phase of women's careers – is identified as an area where potential and experience is often lost, especially as women combine childcare and work. By changing workplace culture and improving good practice in working arrangements to give some degree of flexibility on how long, where and when employees work, providing help with childcare costs, and better management of the talent pipeline, we can minimise the costs to the economy of losing the talents and skills of so many women from working life.

In **Staying on**, we consider the mid-late career stage, and make recommendations to ensure that the talent and skills of women are not lost due to caring responsibilities or the changing labour market.

We also include a chapter on **Enterprise**, which should be seen as an option for more women of all ages. The UK needs to develop a dynamic entrepreneurial culture where more people have the ambition, confidence, opportunity and skills to start and grow a business – increasing women's participation is vital to creating a strong entrepreneurial economy.

Why are women important for economic growth?

Over the last 40 years, the benefits from increased participation of women in economic activity, in terms of financial independence, personal development and social status, have become increasingly clear and accepted. In our companies, we see the tangible business benefits that come from ensuring that women enjoy the same opportunities for meaningful work and career development as men.

This report takes as its starting point the view from the other end of the telescope: that while women need work, work also needs women. There is enormous untapped potential in the female population which would support growth. Over the past 50 years, the increased participation of women in education and the labour market has been a significant contributor to the economy. By equalising the labour force participation rates of men and women, the UK could further increase GDP per capita growth by 0.5 percentage points per year, with potential gains of 10% of GDP by 2030¹. We need to address this mismatch to unlock women's contribution for the UK to optimise its economic potential.

To ensure we are fully utilising the economic advantage offered by women, we must understand the barriers that exist to their workplace achievements. We will present the detail in succeeding chapters, but the problem can be encapsulated in a few key statistics. **There are over 2.4 million women who are not in work but want to work and over 1.3 million women who want to work more hours².** There has been substantial social and economic change over the past 50 years, as more and more women have gained higher qualifications, entered into the workforce and started to break into senior positions. Yet the case remains that while girls and young women outstrip boys and men in educational attainment they are, in comparison, under-represented in many key areas. There is still a gap in employment (67% of working-age women are employed, compared to 76% of men³) and **women are much more likely to be in low-paid jobs** (women's average hourly earnings are 19.7% less than men's⁴). This represents a loss of investment that the UK must recoup.

Equalising economic participation rates could add 10% to the economy by 2030.

+10%

Women-led SMEs already add around £70 billion to the economy.

£70bn

Understanding how we can support more women to realise their potential in the workplace is just one solution to growth in a recession. But we must also look at women's involvement in entrepreneurship – a key driver of growth⁵. Small and medium-sized enterprises (SMEs) are critical to employment and productivity, and women-led SMEs already add around £70 billion to the economy⁶. However, only 19% of SMEs are majority-run by women and women are about half as likely as men to start a business⁷. The UK needs to encourage a dynamic entrepreneurial culture where more people have the ambition, confidence, opportunity and skills to start and grow a business: **if women were setting up and running new businesses at the same rate as men, there could be 1 million more women entrepreneurs⁸.** That's a lot of lost potential for and input to the UK economy.

Understanding how we can encourage more women to set up their own business will be vital in creating a strong entrepreneurial economy and supporting growth still further.

Supporting women to reach their potential does not just make economic sense; it is good for business too. Employers need to appoint and retain the best personnel, from the widest pool of talent. Diversity of people brings diversity of skills and experience, which in turn can deliver richer creativity, better problem solving and greater flexibility to environmental changes⁹. New research by PA Consulting for the Women's Business Council found that greater gender diversity in senior management is positively correlated with high performance cultures, and this in turn is linked to improved financial performance in publicly listed companies¹⁰. <http://www.paconsulting.co.uk/>

The vast majority of employers support equality in principle¹¹. We need to translate this principle into action. Every business is different, so there is no simple 'one size fits all' solution for getting the best from your workforce. Compliance with legislation is the first step, but employers need to build on that, taking a strategic view on how they can maximise the opportunities of equality and what actions are best for them to deliver¹². This report aims to provide the tools which will enable employers to get the best from a diverse workforce.

The recommendations in this report are designed to benefit the economy as a whole, and provide benefits to individuals' businesses. But, most importantly, our recommendations will improve the lives of women across the country. We want to ensure that young girls have the right information and advice to make choices and have higher aspirations. For women who choose to have children, this should not be a choice that condemns them to second class jobs. And we want more women of all ages to have the skills and confidence to start their own business. Women should not just try to fit in to the economy – they should be shaping the economy.

Women should not just try to fit in to the economy – they should be shaping the economy.

1. Starting out

Supporting the choices of girls and young women



Strategic objectives

- Broaden girls’ aspirations and their understanding of career options by creating more effective partnerships between schools, career development professionals, parents and employers.
- Utilise the skills and talents of girls and young women to increase the nation’s economic competitiveness in a global market.

Aims

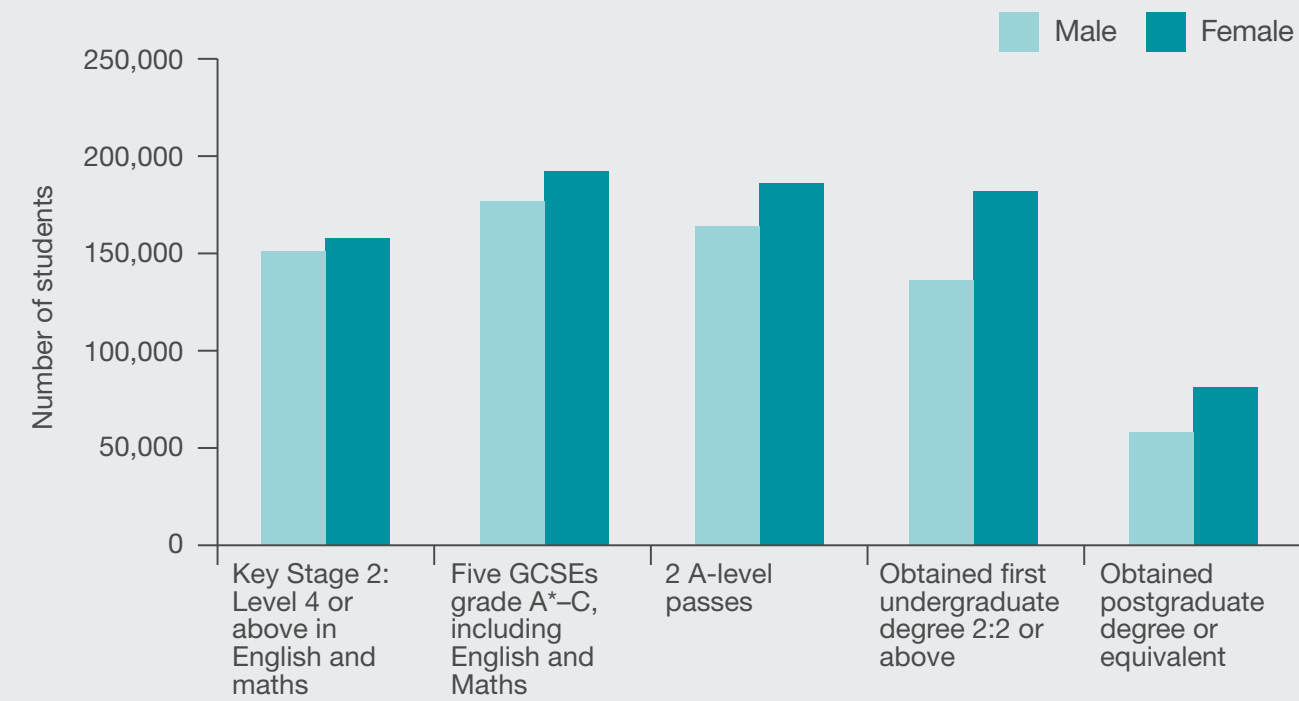
- Improved careers guidance and work experience opportunities which avoid and challenge gender stereotypes and create transferable workplace skills.
- Young girls supported and encouraged to consider subjects/career choices in areas of projected economic growth and where there are skills shortages, such as science, technology, engineering and maths (STEM) areas.

Rationale

- Investment in the futures of girls and young women has the potential to deliver tremendous returns: in fulfilled potential, lasting economic independence, and economic growth.
- Starting in school and college, girls need access to good information and support to help them make the right choices. They need understanding of the working world and the shape of their own working lives, they need confidence in exploring their potential, and they need to understand the importance of the choices they make in the context of their working lives immediately after leaving school and beyond.

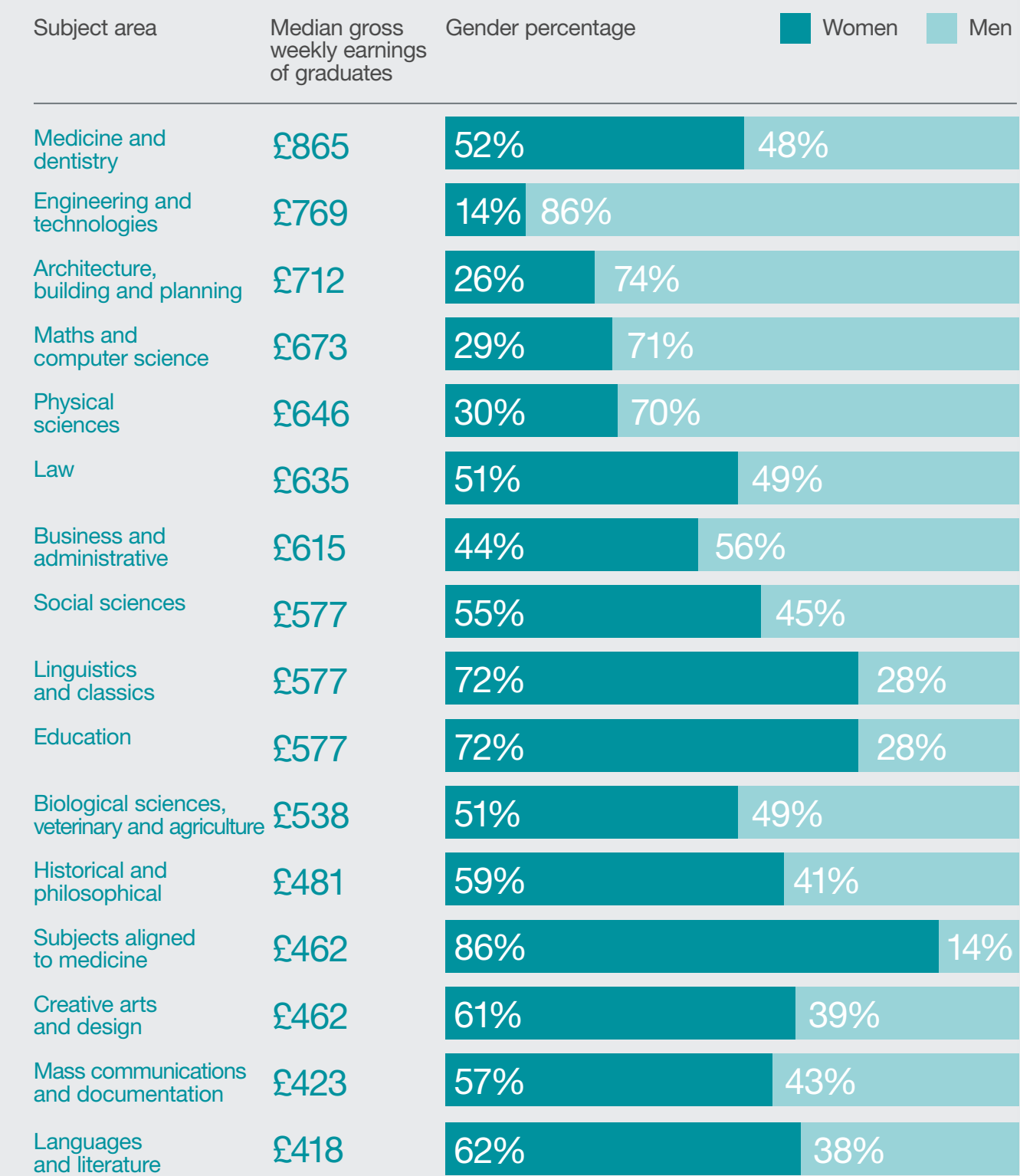
- The choices young women make about education and careers are shaped by the interplay between cultural messages, peer and parental pressures, people they meet from the world of work and their individual self-determination¹³. Stereotypes about “men’s work” and “women’s work” are a strong influence even at primary school¹⁴ and by GCSE level gendered career ambitions are clearly evident¹⁵. However, it is a myth that girls are biologically pre-determined not to like certain subjects such as physical sciences¹⁶.
- Over the last two decades girls have made huge progress academically, but this is not always reflected in their subsequent career aspirations or economic success. They outperform boys at GCSE, A level and degree standards. However, there are clear gender differences in the subjects women choose in higher education. For example, of university places accepted, 13% of engineering places, 18% in technology and 22% in mathematics and computer science are taken by women, whilst women make up 89% in nursing, 85% in education, 73% in linguistics and classics and 72% in languages and literature¹⁷.

Girls outperform boys in education



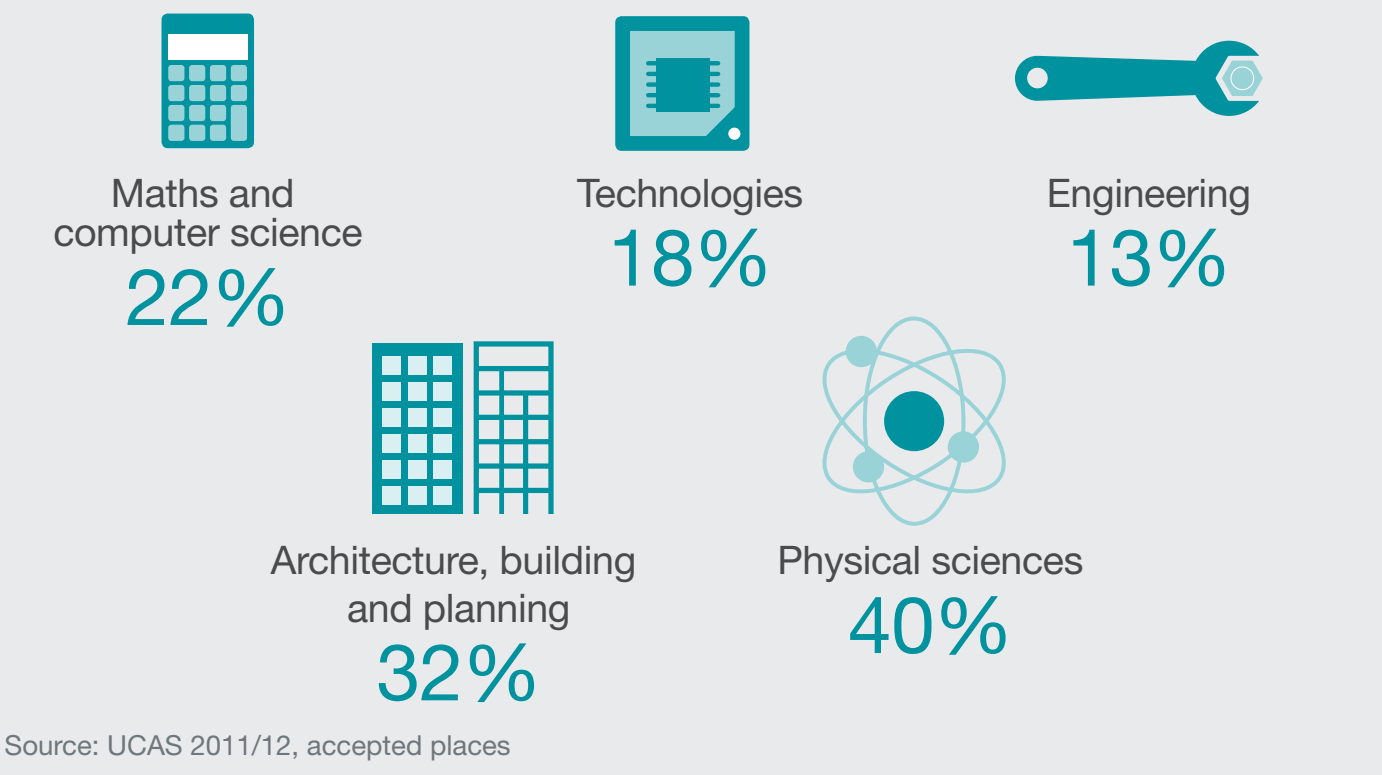
Source: Department for Education 2010/11 and Higher Education Statistics Agency 2010/11

Women graduates are more likely to have chosen subjects which lead to lower earnings



Source: Labour Force Survey 2012

Fewer women (%) are enrolled in STEM subjects at university



- Girls need access to the right careers advice and information at the right time, to support their decision-making and ensure they are ready for work in today's competitive job market. Our research and evidence gathering has shown us that there are many points of intervention which can help to support and motivate girls to broaden their aspirations and raise their sights. Similar supporting evidence can be found in the CBI *First Steps* report, which states that "Inspiring ambition and aspiration in young people drives economic performance".
- While our focus here is on girls and young women, we do not doubt that boys will also benefit from improved careers advice, work experience, transferable workplace skills and a reduction in gendered expectations.

Recommendations

1. Careers advice

We have found strong evidence that careers provision ranges from very good to inconsistent, fragmented and at times inadequate. Schools are now required to secure access to independent and impartial careers guidance from an external source. However, pupils often turn to their subject teachers as a primary source of advice, and they may, understandably, lack accessible, up-to-date information and guidance, or understanding of local jobs markets and skills shortages. See [Windsor Girls School case study on page X](#).

Many of our stakeholders believe that schools need more help from business and partner organisations in discharging their duty to provide careers guidance. The National Careers Council supports the need for improved careers advisory content within teacher training courses, and Ofsted has also highlighted the need to "strengthen the knowledge and understanding of staff about the wide range of progression routes available so that girls and young women can make informed choices"²². Many businesses already champion this. We have found evidence of existing good practice in partnerships between schools and business, and this should be more widespread and consistent. See [FDM case study on page X](#).

What Government should do:

- We support the recommendation of the National Careers Council that a culture change is needed in the careers provision for young people and adults. Such a change can only be brought about by business, careers professionals, schools, and the government working together.
- We also look forward to Ofsted's report on the review of careers guidance which will be published shortly. We strongly recommend that the Government reports on how it plans to implement these findings, including how it will actively engage with industry and business to improve careers guidance and deliver results.
- The Department for Education should work with stakeholders to capture data, on a regular basis, that shows the outcomes and destinations of those leaving secondary school, similar to the data routinely gathered by universities. This should go beyond the first 3-4 years after leaving, up to and including age 26.

What business should do:

- Work more closely with schools (both primary and secondary), colleges and universities to ensure that children better understand the world of work and the career options open to them, through programmes such as Inspiring the Future [www.inspiringthefuture.org], and the model provided by the Business in the Community – Business Class Programme. [<http://www.bitc.org.uk/programmes/business-class/about-business-class>]
- Employers should commit to ensuring their graduates, trainees and apprentices visit schools and talk with students and staff about their jobs. Carefully selected younger employees can provide more accessible and relatable role models for young people and also deliver more accessible, first hand, insights about different careers. Investing in presentation skills training or coaching for these staff can be useful to their own professional development.

2. Supporting girls and parents with better information and resources

Students develop perceptions of how useful a subject may be by the way in which schools link them to specific careers, by the career value ascribed to a subject by advisors and by family members. We want to empower students to make their own informed choices about what subjects, courses or qualifications will be most useful to them in terms of suitability, earning potential, and opportunities for development and progression. We have found that parents and carers are often overlooked in how they can influence and support their sons and daughters, or children in their care, to make these important decisions. There is a lack of advice and signposting to ensure they are able to give the right advice to their children about career opportunities. There is a particular shortage of advice and support for parents to help girls make non-traditional choices.

What Government should do:

- Parents should have access to resources to help them provide advice and guidance to their children. We recommend that the Government work with key stakeholders to develop a broad communications campaign aimed at parents which should include a 'Parent Pack' to provide guidance on what subject choices their children will make and when, how those choices may translate into career opportunities, and how to broaden children's horizons and challenge gender expectations. This pack should be freely accessible online through the National Careers Service and popular websites such as Mumsnet and Netmums, and distributed via Parentmail.

What business should do:

- We recommend online resources and careers sites such as the National Careers Service, plotr and others which are aimed at young men and women, work with their partners and businesses to stress the importance of breaking down gender stereotypes. We suggest that the content placed on their websites challenges gender stereotypes and promotes gender equality. This will help open up careers and courses to all, promoting equality and inclusion in the workplace.

3. Work experience and developing workplace skills

The important work of the Education and Employers Taskforce has identified a number of barriers in the area of work placements. Work experience often fails to deliver its potential in challenging and stretching young people's career horizons and improving career decision-making. Young people and their parents are frequently left to find their own work experience opportunities and these are often insufficiently challenging and may reinforce gendered expectations. Businesses often express concern about school leavers' preparedness for work, but they frequently avoid engaging with work experience as they (and schools) find it complex to organise and costly to deliver. There are a number of schemes that support employers to provide useful work experience, such as Work Inspiration, run by Business in the Community. This is a national employer led campaign that targets 14-19 year olds in full-time education to help make their first experience of the world of work more meaningful and inspiring. [<http://www.workinspiration.com>]. This is an interesting approach that has a significant impact.

What Government should do:

- Actively promote work experience that works for all participants. By providing several short (1-2 day) modules of high quality experience, rather than the protracted fortnight that is currently the norm, the process can be made more manageable. Further consideration should be given to developing job shadowing as part of this change.
- Evaluate the impact of the new Traineeships (due to be introduced in September 2013) and gather business opinion as to whether they are delivering the right workplace skills. Upon completion of a Traineeship, students should receive a guaranteed interview and reference for use in future job-hunting.
- Deliver a pilot scheme through schools to teach transferable workplace skills following on from the evaluation and best practice gathered from Traineeships (as above); completion of this should be marked with a statement or certificate for use in future job-hunting.

What business should do:

- To support employers in delivering a higher quality and volume of work experience placements and also apprenticeships, we recommend that sectoral bodies and the National Apprenticeship Service produce simplification guides for employers on both work experience and apprenticeships. This should cover issues such as Health and Safety, what forms need to be completed and any associated costs and benefits [Some example include the Chartered Insurance Institute's good practice guide for internships and also their guide to getting started with apprenticeships²³]. Employers should also utilise the resources on the National Apprenticeship Service website, which details information on apprenticeships, the business benefits and how to become involved. [<http://www.apprenticeships.org.uk/Employers/The-Basics.aspx>]

- Develop additional effective partnerships between local businesses and schools with the aim of raising aspirations and developing workplace skills via work experience, local mentors and extra-curricular activities. These partnerships should focus on:
 - identifying female role models who are persuasive and relatable, and getting them into schools
 - helping teachers to access information about the local and national labour market and its skills needs, and offering work placements or time in business to help teachers develop their understanding of business skills and business needs
 - working in stronger partnerships to develop high quality work experience opportunities
 - recruiting volunteers from business to take part in Inspiring the Future and STEMNET's Ambassadors Programme and similar activities.
- We support the CBI recommendation for 'strategic, systematic and long-term engagement by business to a needs-led school programme, focusing on raising aspirations and attainment'²⁴.
- Critically, this can only work where girls are encouraged to think beyond outdated gender stereotypes. When identifying staff who can visit local schools, businesses should look for role models who can help girls to broaden their vision. These should include women who have succeeded within a male-dominated role or sector.
- We strongly encourage businesses to consider the potential for increasing their level of recruitment via apprenticeships.

4. Supporting more girls into STEM careers

We recognise and applaud the activity that is already underway by the Government and other bodies to attract more girls into STEM sectors. However, progress remains slow, with efforts being delivered separately by different agencies. Given the projected growth in these sectors and the skills shortages in these areas, greater effort should be made to engage the interest of those young women and girls – and the best place to start is to get more girls choosing these subjects at school.

We welcome business-led education engagement programmes such as that provided by Siemens, which has recently launched an education portal that provides teachers, students and parents with access to a central hub of information explicitly designed to encourage young people to study engineering-related subjects. The site offers interactive educational material across STEM subjects, ranging from interactive learning content designed for classroom application to 3D games based on ground breaking technologies. Siemens also supports education through curriculum-related teacher resources, access to free Computer Aided Design (CAD) software, an employee volunteering programme that provides lesson support in schools, and an immersive exhibition centre called "The Crystal". [DN – why isn't this a boxed case study?]

We are also aware that businesses have in the past reported difficulties in gaining access to schools for various reasons. We hope that our recommendations will encourage better engagement between all parties.

What Government should do:

- Continue to work closely with sectoral bodies such as The Royal Society and the Royal Academy of Engineering and establish a more cohesive approach to encouraging girls into STEM subjects and STEM careers. This should pull together existing schemes under one badge, be aimed at both teachers and girls, and include:
 - encouraging more business leaders to become STEM Ambassadors;
 - promoting best practice from schools; and,
 - engaging with and getting support from business and schools.

This approach could be spearheaded by an independent business champion.
- We agree with the recommendation of the House of Lords Select Committee on Science and Technology that Government should use new technologies to promote STEM careers and subject choices, for example by commissioning a STEM careers app [Higher Education in STEM Subjects, November 2012]. This should dispel myths about STEM subjects, highlight the benefits of studying STEM, and identify influential women in STEM careers.

What business should do:

- There are a plethora of initiatives in this area, delivered by organisations including The Royal Society, the /Royal Academy of Engineering and the WISE campaign. We recommend that these stakeholders and businesses work alongside the Government to enable a more cohesive STEM campaign, targeted at teachers and at girls and young women.
- As part of this, more businesses leaders should become STEM Ambassadors – particularly those who have successfully used their STEM qualifications within the corporate sector or to start their own businesses. We recommend that businesses make better use of STEMNET's brokerage services, which works to ensure all schools and colleges can run programmes to increase the quantity and quality of students moving into STEM education and training.

2. Getting on

Supporting women in the middle phase of their working lives



Strategic objectives

The creation of a work and social environment which ensures women can fully contribute their economic potential by:

- ensuring effective talent management;
- facilitating access to affordable, accessible and quality childcare; and,
- supporting culture change in business through the promotion and adoption of flexible working.

Rationale

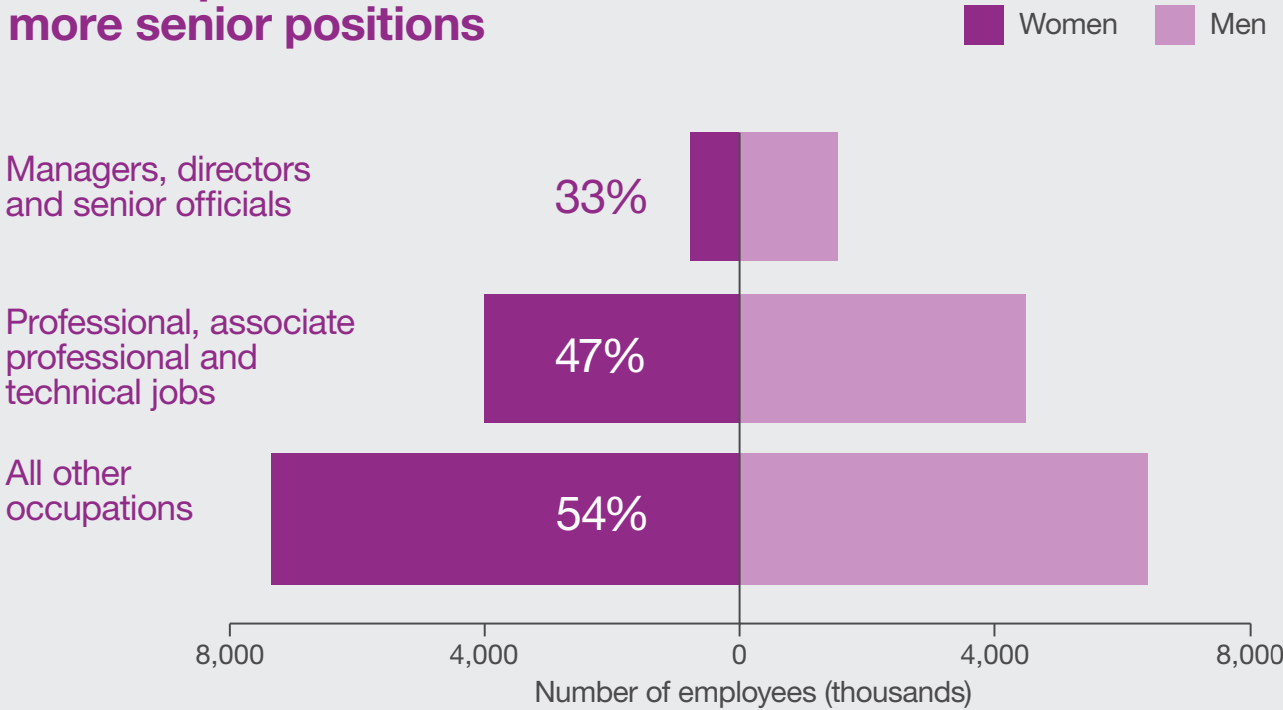
- Women in the mid phase of their working lives and careers are looking to capitalise on the progress they have made, either by securing their positions or by looking to move into more senior and managerial roles. It is also a time when most – though not all – women will have children, or be thinking of doing so. Some women also decide to take time out to bring up young children and others may have become detached from the labour market and need to develop their skill sets to maximise their employability.
- Women commonly experience a change in their work and career trajectory when returning to the workplace after having children, with about one third facing a downward shift in status²⁵. By then they, their employers and the State will have invested substantially in their education and training. The stakes become very high at this point: the employer needs to recoup investment, the mother needs to ensure the wellbeing of her family, while also safeguarding her working or professional future, and the economy needs to continue benefitting from women's skills and experience when they are ready to return to paid work.

- The lack of progression through the talent pipeline is the reason why there are so few female senior executives (6.1% FTSE 100 Executive Directors are women²⁶).
- Three issues are critical at this stage: how business supports women by managing talent; the cost and availability of childcare; and access to flexible working opportunities.

There are compelling reasons why women need to be able to progress at the same rate as men within the workplace. As well as providing women with economic stability, satisfying jobs and careers, inclusive and diverse teams are more likely to be effective and better able to understand their customers and stakeholders²⁷. All this can improve the scope to contribute fresh perspectives, new ideas and vigorous challenge and it translates into better decision making and growth.

- There is much good work going on in this area already, including that of Lord Davies [www.gov.uk/government/news/women-on-boards-2013-two-years-on] and the Employers Group led by the Lloyds TSB Taskforce, and the Department for Work and Pensions/ Business Innovation and Skills Private Sector Working Group,, but more needs to be done to ensure women are fully contributing their potential across all sectors.

Women are 46% of the workforce, but their representation falls in more senior positions



Source: Annual Survey of Hours and Earnings 2012, employees only

Action

1. Talent management

Increased global competition; a workforce shifting from the public to the private sector; digitisation; an ageing population: these challenges demand that business recruit the best talent and hold onto an experienced and trained workforce.

Effective talent management encompasses a range of areas including, but not limited to, organisational capacity, individual development, performance improvement, workforce and succession planning. Specific talent management programmes include activities such as leadership coaching, networking, exposure to clients and formal training. According to the Chartered Institute of Personnel and Development’s (CIPD) 2012 ‘Learning and talent development’ survey just over half of all employers use some form of talent management in their companies. This has been in response to a range of factors such as external supply pressures, global competition, skills shortages and demographic changes, changes in business strategy, or corporate governance. We want to see more companies adopting a strategic approach to getting the best from their workforce; this will help avoid wasted potential in employees and ensure maximum return for investment.

It is vital that companies have effective talent management and promotion processes in place and this is particularly relevant for women, as their career path is often drastically altered by time away from the workforce because of family commitments. In addition, the transition of women back into work after maternity leave can cause particular problems for both women and business. A study by McKinsey found that leading law and accountancy firms were doing well in recruiting women but a discrepancy emerged in later promotion, with promotion rates markedly higher for men²⁸.

There are existing resources that can help employers to improve their talent management, such as the CIPD range of guides available at <http://www.cipd.co.uk/hr-resources/factsheets/talent-management-overview.aspx>. Some forward-thinking companies and organisations provide support through women’s networks mentoring and sponsorship programmes, which can make a huge difference to women’s career paths and prospects²⁹. Women should actively seek out these opportunities.

There is also a key role for industry and sector bodies, including trade unions, to guide and support women through these periods of transition, to help them make the best choices for themselves, in light of their particular skills, ambitions and personal circumstances.

What Government should do:

- The Government's *Think, Act, Report* initiative promotes action and transparency on gender equality. It encourages companies and organisations who report on gender equality to share good practice. This voluntary scheme currently covers over 100 leading companies with 1.6 million employees. A recent survey of *Think, Act, Report* members indicated that the majority were either taking more action and publishing more UK gender equality information than previously, or plan to do so in the near future. The Government should continue to champion this scheme as it provides practical ways for employers in all sectors to improve. We recommend that it is expanded and continues to be actively promoted.
- The Civil Service should act as an exemplar for talent management for senior women. It should consider whether additional steps could be taken to increase the number of women reaching the 'Top 200' group and report on progress.

What business should do:

- Many companies already have effective talent management and career mapping processes. However this is not widespread, so we recommend good practice is shared.
- We recommend that companies introduce effective return to work procedures, including pre-return self-appraisal, and provide women's networks, mentoring and sponsorship programmes, which focus on the individual and build both confidence and skills.
- Opportunity Now, the campaign on gender diversity from Business in the Community, has produced a guide for employers, called Changing Gear, which describes the practical steps they can take to ensure they have a diverse pipeline. The document comprises *Ten impactful steps towards a diverse pipeline* and we strongly recommend that companies adopt the measures outlined. It is available at [<http://opportunitynow.bitc.org.uk/research-insight/research-articles/changing-gear>]
- Companies should offer regular work experience for those mothers taking career breaks, and extend 'keep in touch' schemes, to help ensure their return is as smooth as possible.
- Unconscious bias training should be provided to recruitment teams and managers.
- Employers should provide access to organisations such as An Inspirational Journey and Everywoman, which support women to develop skills and confidence and help progression through the pipeline.

2. Childcare

The cost of childcare is commonly cited by women as a barrier to progression into senior roles, and it is a disincentive for working longer hours. Childcare in England is among the most costly in Europe. In the past four years, the average cost of a nursery place has gone up by 23%³⁰, whilst the average full-time wage has increased by 2.5% and the average part-time wage has increased by just 0.3%³¹.

While parents often complain that childcare is expensive and difficult to access, providers report under-occupancy in some regions and low profits. Childcare providers are overwhelmingly female and this is an area of high female entrepreneurship, so it is important to support providers to enable them to offer and get the best value from their business. We welcome the recent announcements of the Childcare Commission about a new scheme for tax free childcare, [<https://www.gov.uk/government/news/new-scheme-to-bring-tax-free-childcare-for-25-million-working-families>] but with the Office for National Statistics projecting an additional 150,000 0-4 year olds by 2025³², matching provision to requirement will become even more pressing.

What Government should do:

- We strongly welcome the recommendations of the Childcare Commission on financial support for parents and believe that the changes proposed to the tax system are going in the right direction. They will take some of the pressures off family incomes and allow more women (and men) to remain attached to the labour market. We urge the Government to closely monitor their impact to ensure that they will deliver the much needed support for families and working parents. If the economic climate allows this should be expanded further, as we firmly believe this will aid economic growth.
- Develop improved information for parents on childcare options in their area using Ofsted and local authority data.

What business should do:

- Business should recognise the benefits of shared parental leave.

3. Flexible working

Flexible working is an arrangement which gives some degree of flexibility on how long, where and when they work. This can be in terms of working time, working location and pattern of working. The workplace design of fixed locations and fixed hours is dated and no longer reflects our globalised and digitised world. There are clear benefits for business from flexibility, primarily in retaining staff and improving morale; but also, in generating value by better use of the location and premises, size, roles and working patterns of their work forces. The competitive advantage offered by these practices mean they are becoming increasingly widespread, with 77% of women and 70% of men using at least one form of flexible working. In 1998 27% of employers operated flexitime and 16% had home workers; by 2012 these figures had grown to 50% and 54% respectively³³.

Benefits of flexible working

76%



of businesses report that **flexible working improves staff retention**

73%



of businesses report that it **improves staff motivation**

72%



of businesses report that it **improves employee engagement**

Source: CIPD (2012) 'Flexible Working Provision and Uptake'

Flexible working is good for the economy. Flexibility increases the performance of people and companies. Among employers that offer flexible working, 76% report that it improves staff retention, 73% report that it improves staff motivation and 72% report that it improves employee engagement³⁴ See [Eversheds case study on page X](#).

Flexible working is also valued by employees, particularly (but not exclusively) by those who need to balance work and caring responsibilities and to have choices over what best suits their family. The majority of parents work and many of them struggle to balance their work and care needs. This burden usually falls to women, and the provision of flexible working is a major facilitator of their progression and retention in the workplace. It is also good for men, who are also responsible for childcare – or may wish to be, if they could make it compatible with their working lives.

41% of employees say that the availability of flexible working was a key factor in their decision to work for their current employer. But flexible working only succeeds where senior management understands the potential benefits, and there is still a stigma attached to working flexibly, particularly at senior management level, and some SMEs still hold negative views about accommodating flexible working, career breaks and maternity leave in particular.

It is important to note that flexible working is not the same as part-time working. There are many ways to work flexibly, including flexitime, term-time working, job sharing, working from home, arriving early or leaving late.

At the heart of any flexible arrangement is an element of trust. Trust and respect are important to an individual's well being. The old command and control form of management can cause stress; whereas flexible working allows people to be themselves and makes a major difference to self esteem.

Flexible working is a two-way deal that is better created by a conversation than a set of rules. The right to request flexible working does not mean that employees can demand that their job is changed to suit their lifestyle, but it does mean employers should, if at all possible, encourage their employees to do their job at a time and place that suits them best. We shouldn't expect employers to create flexible jobs, but we can expect them to be flexible about the way the jobs are done – many bosses ultimately discover that by creating roles to suit individual colleagues, they get the best results for both the business and its workforce. See [Dell case study on page X](#).

There are of course jobs where some flexible working practices are not suitable. A shop assistant can't work from home, but Timpson Ltd has found that they can employ a flexible approach in their shoe repair and key cutting stores. Many stores are open seven days a week and operate a shift system. Colleagues covering each store decide amongst themselves what hours they want to work. That gives them the flexibility to find a balance between work, home and leisure. See [Timpson case study on page X](#).

Society is changing and rigid working patterns don't fit the way we now live our lives or run our businesses. In recognition of this the Government is extending the right to request flexible working to all employees. These changes will help to challenge the notion that flexible working is special treatment for mothers, and we applaud them. Government has already gone a long way to support flexible working and move the issues away from being one that is focused solely on women, to shared parental responsibilities. There is still more we would encourage the Government and business to do however, to support a culture change that can benefit everybody.

In 20 years' time very few businesses will have failed to have found the benefits that flexible working will bring. Our job is to make management today wake up to the realities of tomorrow's world.

What Government should do:

Use the opportunity of the extension of the right to request flexible working to all employees to redraft the supporting guidance for employers, including definitions and best practice.

- Promote best practice examples of sample contracts designed to support flexible working which moves away from stipulating '9 to5' working patterns.

- Work with the WBC flexible working champion, John Timpson – who has championed flexible working models to great effect in his own company – and other supporters of flexible working to share good practice.
- Use male and female role models to demonstrate that flexible working doesn't need to be a bar to a career in senior management.
- Ask recruitment companies and Jobcentre Plus to fully acknowledge and understand the concept of flexible working, so that candidates who want to work flexibly can have a positive conversation during job interviews.
- Produce guidance for employees to help them consider the impact on their employer when making any request for a change in the way they work.
- Dispel the misconception that equipment provided by employers for home and flexible working is a taxable benefit.

Although the majority of parents work, many, especially those on lower incomes, find it difficult to balance their work and care needs. Companies that encourage employees to work the way that suits them best are more likely to attract the most talented new recruits and retain their loyalty. To maximise the contribution of talented employees we must provide an environment that keeps them committed to the workplace. It doesn't make good business sense to train highly skilled workers only to waste the investment by refusing to be flexible about how they do their work.

What business should do:

- Offer employment contracts, wherever possible, which reflect the job itself, rather than where or when the work is to be done. Prescriptive terms like 'part-time' or 'full-time' should be avoided and any reference to hours worked should be written in a way that allows for future flexibility.
- Share good practice, including examples of flexible contracts, so that small, medium and large companies can learn from each other in an industry-led approach to support cultural change.
- We are aware that a group of employers, led by Lloyds Banking Group, is considering the issue of workforce flexibility in some depth and will be launching their report shortly. We urge all employers to consider the findings and look at how they can translate these into their own organisations.

3. Staying on

Supporting women's continuing development and contribution in the third phase of their working lives



Strategic objectives

Ensure the skills and talents of women in the third phase of their working lives are fully used and are not lost to the economy due to caring responsibilities or the changing labour market by:

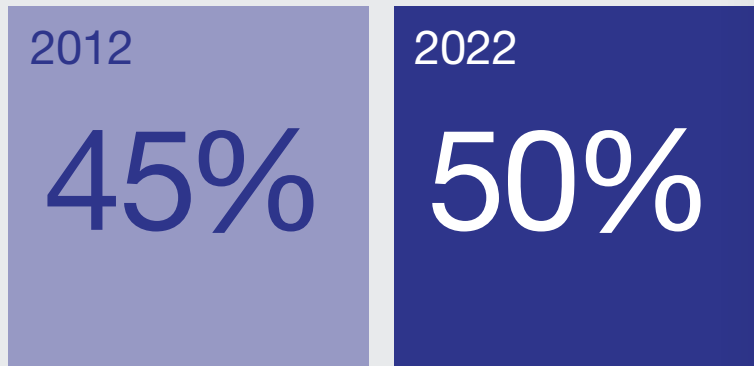
- helping individuals and businesses better balance senior roles and caring responsibilities; and,
- supporting these women to gain the skills to work in sectors forecasting growth and experiencing skills shortages.

Rationale

- The UK population is ageing. At the same time, the average age of retirement is increasing and this trend will continue. Nearly twice as many women (66%) as men (34%) expect to retire past state pension age³⁵. That means that the third phase of women's working lives can now stretch over two decades or more.
- The changing composition of the future workforce provides an increasing resource for economic growth and the changing labour market. Extending working lives increases the supply of labour, raising the potential levels of GDP and consumption. In addition, extending working lives is likely to lead to an improvement in the position of the public finances (through, for example, increased income tax receipts and reduced pensioner benefits)³⁶.
- Despite popular perception that increasing older people's employment comes at the expense of younger people, work by the OECD has shown that there is no trade-off between younger and older workers – in fact, the relationship is positive and significant: countries with high economic participation of older people tend to also have high employment rates for younger people³⁷.

The ageing population

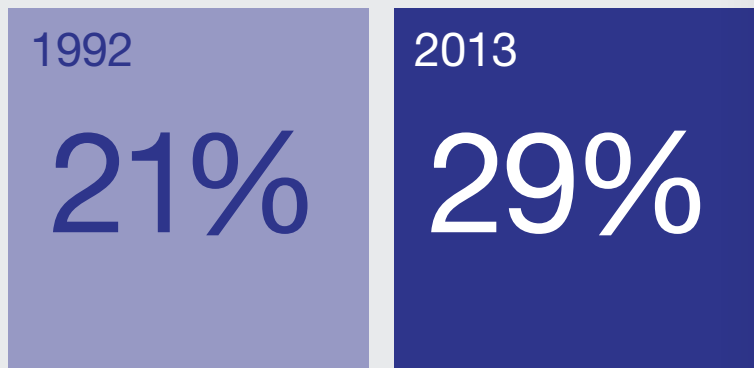
The population is ageing
% of population aged 50+



... and people are retiring later
The average retirement age has been increasing for men and women, and this is likely to continue



... so older workers are a growing group
% of workers aged 50+



Source: ONS Population Projections, England; ONS Labour Market Statistics May 2013; ONS Pension Trends

- There are also personal benefits to sustaining the years of paid employment. Women are saving less for their pensions than men: a recent report found that they have almost £30,000 less on average in retirement savings than men, and over one quarter of women are not saving anything for retirement³⁸. So, the longer they remain economically active, the longer they can maintain their standard of living.
- This is not a homogenous group: in addition to the wide age range this third phase covers, there are disparities in levels of skill and qualifications, income and job security, and relevance of skills to the changing labour market. There are also differences in the work-life balance needed to manage caring responsibilities: with an increase in older motherhood as well as higher life expectancy, some will be combining caring for children with caring for elderly relatives.
- There are significant barriers to tackle if we are to support these workers to achieve their full potential. Demands for skills are constantly changing in response to globalisation, changes in technology, work organisation and consumption patterns. Older workers are especially at risk from seeing their skills become obsolete. For women this is a particularly acute problem, as their levels of formal qualifications are lower than average to begin with. This helps feed into low pay, with older women earning 28% less than men³⁹.
- A key challenge for many women in this life stage is the need to reskill in order to take advantage of employment opportunities in growing sectors; others, including women in managerial positions, may want to reduce their hours to balance work with what are often increased caring responsibilities for children, grandchildren and ageing parents.

Action

1. Sectors of predicted growth

- Occupational segmentation is particularly stark for working women aged over 50, with two thirds of them working in just three sectors: education, health and retail⁴⁰. There remains a mismatch between the sectors where women work and where job growth will be over the next decade. Some female-dominated industries and occupations are projected to grow – such as retail, caring and personal services – but these tend to be lower-paid jobs⁴¹. We must look at ways to reskill women to take advantage of the growing labour market in other areas.
- If this is to happen, we must ensure the existing support mechanisms fully understand the needs and benefits of an older workforce. There is excellent practice underway in some Jobcentre Plus areas, where local flexibility is used to provide tailored support to those over 50. In West London, for example, Jobcentre Plus is working with the National Careers Service and local colleges to develop pre-employability courses and employer fairs for older customers.
- We urge the Government to reflect this flexible and local approach when delivering services to this age group, involving those using the service in its design.

What Government should do:

- At a national level, Government should work in collaboration with key business, skills and career expert organisations to steer effective change in support services for workers in the third phase.
- Engage with relevant expert organisations at a local level to trial new approaches to support the skills development of older workers.
- Develop effective targeted marketing campaigns to promote the work of the National Careers Service to these workers, to support them in making decisions on learning, training and work opportunities.
- Provide specific training on the barriers faced by women in the third phase of their working lives to Jobcentre Plus staff and work programme providers.

What business should do:

- Provide unconscious bias training to staff who recruit or internally promote staff.
- Review what the flexible working opportunities are for older workers in their workforce as part of their preparation for the extension of the right to request flexible working legislation.

2. Caring responsibilities

- Caring responsibilities can significantly reduce the opportunity for women to remain in the workforce. Over one in five women aged 50-64 is a carer for an elderly or disabled family member, and women are more likely than men to be full-time carers⁴². One quarter of working carers report that they feel they receive inadequate support to enable them to combine work and care, and only half think their employer is "carer-friendly"⁴³. Also, 9% of carers drop out of work and a further 7% reduce their hours to care⁴⁴, and the tipping point when carers can no longer balance work with caring can be as little as 10 hours a week⁴⁵.
- One quarter of carers who do not work say that they would like more paid work but think there are inadequate services or access to flexible working, or do not want to lose entitlement to benefits. The benefit to the economy of providing greater support to carers to stay in work has been estimated to be as great as £750 million to £1.5 billion⁴⁶. The ageing population will only increase the numbers of people trying to combine caring with working.

What Government should do:

- Increased support for carers who want to remain in the workplace through partnership working between local authorities and Local Enterprise Partnerships to test assistive technology and IT support for carers. Consideration should be given to using the model of the Access to Work fund, which provides grants for adaptations to support people with disabilities to join or remain in the workforce
- Dispel the myths that exist around the tax rules on employer-provided equipment to support home working

What business should do:

- Join the Employers for Carers Network and put in place the toolkits to support employees who are carers. [DN add case study from Carers UK, which demonstrates one of the toolkits.]
- Sign up to the assistive technology pilot mentioned above, which would fund adaptations and aids to allow carers to better balance their caring and work.

3. Stereotypes

Legislation is now in place outlawing age discrimination in employment, but changing attitudes and stereotypes is a slow process. Discrimination is often unconscious rather than deliberate, a reflection of ingrained stereotypes and workplace culture. Common misconceptions include:

- Older adults find it harder to learn and to acquire new skills
- Physiological change in older workers impairs their ability to work
- Older workers are ill more often

These stereotypes are accepted too readily, depriving both employer and employee and hindering economic competitiveness. With the ageing workforce it is imperative that we challenge the myths.

What Government should do:

- Appoint a business champion for older workers to promote the business benefits of recruiting and retaining older workers.
- Build on the Age Positive campaign and increase its impact. Raise awareness of the benefits that older workers with the right skills can bring to the workforce.
- Publish a range of effective 'how to' guides and toolkits for employers, alongside practical solutions to help businesses adapt their recruitment and retention practices.
- Publicise the availability of existing resources such as the ACAS guidance and Age Audit Toolkit available online <http://www.acas.org.uk/index.aspx?articleid=4241>

What business should do:

- Leading business figures should promote the business benefits of recruiting and retaining older workers in their sector.
- Network and share good practice on how to manage a multigenerational workforce.

4. Enterprise

Helping women gain the necessary skills to set up and run their own business



Strategic objectives

Support economic growth, by:

- ensuring women understand how enterprise opportunities can offer financial independence and flexibility in the workplace; and,
- helping women to gain the necessary skills to run their own business.

Aims

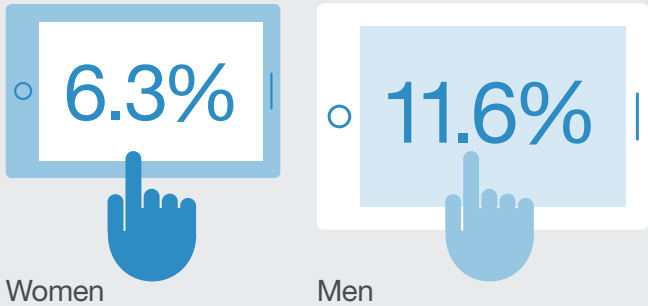
- Embed enterprise in the education system so girls see enterprise as a viable career option and equipping them with the skills they need to start up their own business.
- Encourage women looking for more flexibility in the workplace to consider enterprise as a career option and provide them with support.

Rationale

- We know that enterprise is vital for economic growth, national competitiveness and innovation and we welcome Lord Young’s recent report Growing Your Business [https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/198165/growing-your-business-lord-young.pdf] which recognises the importance of SMEs in our economy and makes recommendations on how SMEs can capitalise on the opportunity to grow.

- However, we also believe that there is substantial untapped benefit due to women not achieving their full potential in enterprise activities. Currently, majority women-led Small and Medium Enterprises (SMEs) contribute £70 billion to Gross Value Added⁴⁷ but we know this figure could be higher. As well as the potential gain to the economy, enterprise can benefit women across all stages of their life cycle on an individual level. It can offer financial independence, greater career progression and flexibility in the workplace. Despite this, women are half as likely as men to be entrepreneurs and just 19% of small and medium-sized enterprises (SMEs) are majority-led by women (either run by a woman or have a management team that is over 50% women), whilst 49% of SMEs are entirely led by men⁴⁸. Indeed, **if women were setting up and running new businesses at the same rate as men, we could have an extra one million female entrepreneurs⁴⁹.**

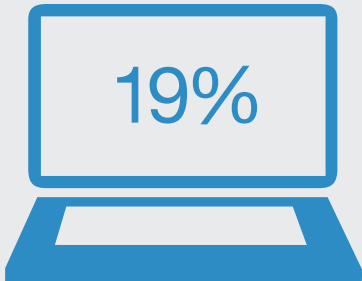
Women are about half as likely as men to be entrepreneurs



The proportion of working-age women who are engaged in entrepreneurial activity was 6.3% in 2012, compared to 11.6% for men

Source: Global Entrepreneurship Monitor

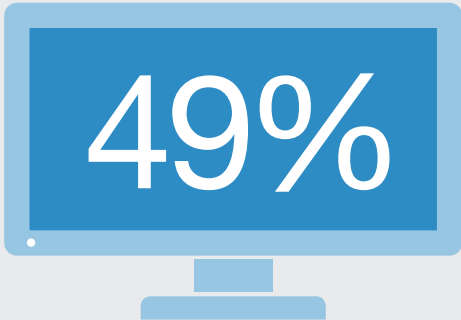
Women in small and medium-sized enterprises (SMEs)



19% of SMEs are majority-led* by women



*Either run by a woman or have a management team that is over 50% women



Where as 49% of SMEs are entirely led by men

Source: BIS Small Business Survey 2012

- Not all start-ups and small businesses are focussed on rapid growth, and our meetings with stakeholders found a common concern that an approach that focuses support for start-ups on “high-growth” businesses can put off many women-led businesses from seeking that support. About 44% of women-led SME's consider themselves to be a **social enterprise** (although only 9% meet the official definition, suggesting no clear dichotomy between a social enterprise and a profit maximising business)⁵⁰.

What is stopping women from starting up their own businesses?

Many women perceive **access to finance** as a barrier to starting up their own business and currently women-led SMEs are less likely to use external finance than men. However, there is evidence to suggest that those who did apply for finance were more successful than male-led SMEs⁵¹.

- The evidence suggests that women are less likely than men to think they have the **skills** needed to start a business and are more likely to be prevented by a fear of failure. In 2011, only 29% of women felt they had the skills to start a business, compared with 45% of men⁵². This may be linked to wider issues of lacking self-confidence rather than an actual lack of skills.
- Speaking to women, we have heard that there aren't enough **diverse female role models** to inspire them and show them it is possible to become an entrepreneur.
- It is vital that we support women to realise their potential, to equip them with the skills and the confidence they require and to support them on their journey to starting a business.

Recommendations

1. Promoting enterprise through education

Promoting entrepreneurship in early education stages and equipping young women with skills, networking opportunities and confidence is crucial to ensuring a future generation of female entrepreneurs. There are already excellent examples of good practice in this area, for example through the work of Young Enterprise which offers a wealth of practical ways to help young people aged 4-25 to get a taste for running their own business. Lucy Cohen and Sophie Hughes, founders of Mazuma UK Ltd, are a good example of successful female entrepreneurs who attribute their achievements to taking part in Young Enterprise during their college years. [See Lucy Cohen and Sophie Hughes case study on page X.](#)

We want to make sure this opportunity is consistent and available to all, and to ensure that all young women who are considering setting up their own business know enterprise is a career option and can access the support they need.

What Government should do:

- Research good practice by mapping which colleges and initiatives result in high levels of successful entrepreneurs to see what works and can be replicated elsewhere.
- Review the effectiveness of the existing youth micro finance schemes for secondary school children and expand these if they are proven to stimulate greater entrepreneurship.

What business should do

- Utilise the British Chambers of Commerce women's business networks (supported by Government) and bring together organisations like Everywoman, Enterprising Women and WiRE to promote an industry-led approach – working with schools to raise girls' awareness of enterprise as a career opportunity.
- Support the development and testing of a college and school module on starting up a business to ensure it encompasses the right skills.

2. Increasing the availability of role models

- 83% of women who have started their own business have known someone else who has done so⁵³. This demonstrates the importance of role models in inspiring women to believe that becoming an entrepreneur is a viable career option.

What Government should do

- Promote female entrepreneurs through the newly appointed Entrepreneur in Residence. [See Pistashio Rose case study on page X.](#)

What business should do:

- Entrepreneurs should sign up to Inspiring the Future and similar programmes, which in turn should expand their range of female entrepreneur speakers who could be utilised by educational institutions and women's networks.
- Demonstrate the benefit of business mentoring and tap into existing networks and resources. There are many examples where accessing mentoring services has been key to the success of a start up business. [See Sarah Praise case study on page X.](#)

3. Access to finance

- Women consistently say access to finance is a barrier to them starting their own business. We want to encourage more women to consider all the finance options available to them, including from alternative sources such as crowd funding and angel investors, and support them in accessing finance. So, when a great idea occurs to them, they know where to get the initial capital to start their business.

What Government should do

- Promote access to finance information to female entrepreneurs.

What business should do

- At a local level the British Chambers of Commerce should share the good practice from their women networks to highlight opportunities to access finance.
- Financial institutions should ensure they market their services to women who want to set up their own business. Natwest is one of the high street banks already active in this area. They currently have 200 Women in Business specialists throughout the UK and work closely with organisations such as Everywoman, Encouraging Women into Franchising and WEConnect Europe. We would encourage other banks to provide this level of service to women who want to set up their own business.

4. Promoting support for women who want to start a business

- The differences between men's and women's aspirations, and between the sectors they tend to work in, are not always reflected in the current support services which -women entrepreneurs tell us – can often take a 'one size fits all' approach to delivering information. We want to make sure that women who want to start up their own business get good quality information which is relevant to them.

What Government should do

- Work with business to create a new portal (or app) for advice and support which provides a route map into enterprise, highlights opportunities and provides skills self- assessment.
- Broaden messages on what an enterprise is and ensure marketing of support services is inclusive, in recognition of the differences between men and women entrepreneurs.
- The JobCentre Plus Emergency Support Service should include enterprise support and this option should be marketed clearly to women.

What business should do

- Companies should use their supply chains to help SMEs to start and grow their businesses. Mitie is an example of a company which is already doing this, successfully partnering with entrepreneurs to grow over 100 start-up businesses with a 95% success rate⁵⁴.

Next steps

This report starts from the presumption that supporting women to excel in their working lives is not a burden on business, but an investment in economic growth.

Too often, it is implied that reducing the social or cultural barriers to girls' aspirations is a distraction from the real business of educating young people, or that women who have children are making some kind of lifestyle choice, opting for an expensive hobby for which they only have themselves to blame if the going sometimes gets tough.

We reject that thinking. It is disrespectful to the important contribution made by parents to the economy, and to the fabric of our social life. More important still, it obscures the fact that our economy needs women's skills, energies and commitment – and if we do not facilitate that, we are all the losers.

We look forward to the Government's response to this report, and to the actions that will be developed as a result of it.

But it is equally important to stress that supporting women in working life is not a moral duty but good working practice. Business, and our wider economy, have to prioritise business needs. Happily, increasing numbers of employers are convinced of the business case for optimising women's economic activity. For them, the question is not, 'should I employ women?' but, 'How can I recruit and retain the best women, and help them grow my business while supporting their professional development?'

All the members of the WBC are business practitioners, and as such we are essentially pragmatic. We have come up with recommendations for action that are evidence-based, practical and achievable. If implemented, we believe they will make a real difference. And they will demonstrate that they are an investment, not a cost.

We look forward to the Government's response to this report, and to the actions that will be developed as a result of it. As a Council we will continue to meet every six months to monitor progress. We will focus on ensuring that implementation is practical and that its achievements feel real to women. Crucially, we will give high priority to ensuring that our recommendations are implemented in full consciousness of the diversity of women's experiences and needs, so that women from all walks of life feel the benefit of increased support. We will publish a report in one year's time to put on public record what has been achieved.

The process of talking – of seeking evidence, and views, and testing out our ideas with a wide range of stakeholders – is now complete. We look forward to the action.

Case studies

TBC

Appendices

References

- ¹ Thevenon, Ali, Adema & Salva Del Pero (2012) 'Effects of Reducing Gender Gaps in Education and Labour Force Participation on Economic Growth in the OECD' OECD Social, Employment and Migration Working Papers No. 138
- ² Labour Force Survey, Q4 2012
- ³ Labour Market Statistics May 2013, Office for National Statistics
- ⁴ Annual Survey of Hours and Earnings 2012, Office for National Statistics
- ⁵ Berthold, N., & Gründler, K. (2012). 'Entrepreneurship and economic growth in a panel of countries' (No. 118). Wirtschaftswissenschaftliche Beiträge des Lehrstuhls für Volkswirtschaftslehre, Wirtschaftsordnung und Sozialpolitik, Universität Würzburg.
- ⁶ Carter, Ram, Trehan & Jones (2013) 'Diversity and SME's' Enterprise Research Centre White Paper No. 3
- ⁷ BIS (2013) 'BIS Small Business Survey 2012' Department for Business Innovation and Skills;

Levie & Hart (2012) 'Global Entrepreneurship Monitor: United Kingdom 2011 Monitoring Report'
- ⁸ This figure is calculated using the Global Entrepreneurship Monitor's figures for Total Entrepreneurial Activity (TEA). TEA is calculated as the proportion of the working age population either in the process of starting a business or running a new business. In 2012, the TEA rates were 6.3% of women and 11.6% of men. Multiplying this by the total female working-age population (using ONS' Labour Market Statistics, this is currently 20.2 million women) and calculating the gap between the current TEA rate for women and the rate for men, the difference is 1.07 million entrepreneurs.
- ⁹ BIS (2013) 'Business Case for Equality: a survey of the academic literature' Department for Business Innovation and Skills Occasional Report No. 4
- ¹⁰ PA Consulting (2013) 'This Way Up: Are high performance cultures revealing the missing path to solve the gender diversity challenge?'
- ¹¹ Perren, Roberts, Stafford & Hirsch (2012) 'Evaluation of the Implementation of the Equality Act 2010: Report 1 – Organisational Approaches to Equality' Government Equalities Office

- ¹² BIS (2013) 'Business Case for Equality: a survey of the academic literature' Department for Business Innovation and Skills Occasional Report No. 4
- ¹³ There has been large amounts of research about pupils' subject choices. For example, ASPIRES is a longitudinal study at King's College London, which has investigated factors influencing educational choices in science by gender. www.kcl.ac.uk/aspires
- ¹⁴ Ofsted (2011) 'Girls' Career Aspirations' Ofsted
- ¹⁵ Hutchinson, Rolfe, Moore, Bysshe & Bentley (2011) 'All Things Being Equal? Equality and diversity in careers education, information, advice and guidance' Equality and Human Rights Commission Research Report 71. This report found girls more likely to be interested in design, arts, crafts and performing arts while boys are more interested in leisure, sport and tourism, security and the armed forces.
- ¹⁶ Archer, DeWitt, Osborne, Dillon, Willis and Wong (2012) 'Balancing acts': Elementary school girls' negotiations of femininity, achievement, and science' Science Education, 96 (6), 967-989.
- ¹⁷ Figures obtained using UCAS's Statistical Enquiry Tool. Figures are for 2011 and based on offers accepted. http://www.ucas.ac.uk/about_us/stat_services/stats_online/.
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- ¹⁹ Olsen, Gash, Vandecasteele, Walthery & Heuvelman (2010) 'The Gender Pay Gap in the UK 1997-2007' Government Equalities Office
- ²⁰ Social Market Foundation 'In the Balance: the STEM Human Capital Crunch'
- ²¹ National Skills Forum: Closing the Gender Skills Gap, 2009
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- ²⁴ CBI (2012) 'First steps: a new approach for our schools'
- ²⁵ Houston & Marks (2003) 'The Role of Planning and Workplace Support in Returning to Work After Maternity Leave' British Journal of Industrial Relations 41(2)
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- ²⁷ McKinsey (2007) 'Women Matter: Gender diversity, a corporate performance driver' McKinsey
- ²⁸ McKinsey (2012) 'Getting More Women to the Top of Professional Service Firms: final document to the 30% Club Professional Service Firms initiative' McKinsey and Company

- ²⁹ Hewlett, Leader-Chivee & Sumberg (2012) 'Sponser Effect: UK' Center for Talent Innovation
- ³⁰ Daycare Trust, Childcare Costs Survey 2008-2012. Figure is based on the average cost of 25 hours of nursery care in England.
- ³¹ Annual Survey of Hours and Earnings 2008-2012, Office for National Statistics. Figures are based on median gross annual earnings.
- ³² Population Projections, Office for National Statistics
- ³³ CIPD (2012) 'Flexible Working Provision and Uptake' CIPD Survey Report
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- ³⁵ LV= (2011) 'Working Late Index 2011'. The default retirement age has now been removed, so that employers cannot force employees to retire. The state pension age (SPA) is also increasing and has been equalised between men and women for all women born after 1953, and been increased from 65 to 66. Parliament is considering plans to increase this further. However, there is substantial confusion around SPAs – 62% of women think their SPA is earlier than it actually is.
- ³⁶ Barrell, Kirby & Orazgani (2011) "The macroeconomic impact from extending working lives" Department for Work and Pensions Working Paper No. 95
- ³⁷ OECD (2011) 'Pensions at a Glance' Organisation for Economic Co-Operation and Development
- ³⁸ Scottish Widows (2012) 'Women and Pensions Report: Mind the expectations gap'
- ³⁹ Annual Survey of Hours and Earning 2012, Office for National Statistics
- ⁴⁰ Labour Force Survey Q4 2012
- ⁴¹ UKCES (2012) 'Working Futures 2010-2020' UK Commission for Employment and Skills
- ⁴² ONS (2013) 'Unpaid Care in England and Wales, 2011' Office for National Statistics
- ⁴³ Yeandle, Bennett, Buckner, Shipton & Suokas (2006) 'Who Cares Wins: The social and business benefits of supporting working carers' Report by the Centre for Social Inclusions for Carers UK
- ⁴⁴ Ipsos Mori 2009: <http://www.ipsos-mori.com/researchpublications/researcharchive/2526/One-million-give-up-work-to-care.aspx>
- ⁴⁵ King & Pickard (2012) 'When is a carer's employment at risk? Longitudinal analysis of unpaid care and employment in midlife in England' Personal Social Services Research Unit (PSSRU), London School of Economics (LSE), London, UK
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- ⁴⁷ Carter, Ram, Trehan & Jones (2013) 'Diversity and SME's' Enterprise Research Centre White Paper No. 3;
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- ⁵⁰ BIS (2011) 'Small Business Survey 2010: women-led business boost' Department for Business Innovation and Skills
- ⁵¹ BDRC Continental (unpublished) 'Women-led Businesses: Analysis from the SME Finance Monitor YEQ1 2012'. This is unpublished research shared with the Government Equalities Office.
- ⁵² Levie & Hart (2012) 'Global Entrepreneurship Monitor: United Kingdom 2011 Monitoring Report'
- ⁵³ Waring, J, Brierton, J (2010), 'Missing the Market: The Untapped Growth Potential of UK Women Entrepreneurs'
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Annex A: About the Women's Business Council



Eddie Gray
CEO of Dynavax Technologies

Eddie Gray was recently appointed CEO of Dynavax Technologies, a biotechnology company in Berkeley, California. He was previously President of Pharmaceuticals Europe at GlaxoSmithKline PLC. Eddie recently stepped down after 10 years as an Advisory Board member of Opportunity Now.



Wendy Hallett
CEO of Dynavax Technologies

Wendy has extensive experience in retail and founded her own successful business in 1999, Hallett Retail, following the birth of her second child to help gain a flexible approach to working. Hallett Retail is an award winning, unique concept multi-brand concessions business. Wendy won the everywoman NatWest Award in 2011.



Sue Langley
CEO of Dynavax Technologies

Sue is a Non Executive Director for Northern Rock Asset Management and Bradford and Bingley. She has extensive experience in the City and previously was Director of Market Development for Lloyds of London. She is a director for Acord and a Vice President of the Insurance Institute of London and a previous recipient of the Women in the City Awards.



Ruby McGregor-Smith, CBE (Chair)
Chief Executive, MITIE Group PLC

Ruby is the chief executive of MITIE Group PLC. She is one of a small number of women holding the position of chief executive in a FTSE 100 or 250 company and is the first Asian woman to be appointed in such a role. She was named Business Leader of the Year at the Orange National Business Awards 2011 and in 2012 was Honoured with a Commander of the Order of the British Empire for services to business and diversity in business. Ruby is an independent non-executive director of PageGroup. Ruby is a working mother with two children, a daughter and a son.



Sue O'Brien
CEO, Norman Broadbent

Group CEO of and Board Director Norman Broadbent PLC since 2008, Sue is also a non-executive director for Come Round Experiential Marketing, board advisor to Emma Bridgewater and Chairman of the Unlock the Cure Breast Cancer Appeal. She also Chairs the National Fundraising Committee for KidsOut, and sits on the board of Walpole British Luxury Brands. Sue also Mentors and provides Executive Coaching to a number of FTSE Boards.



Jill Shedden
Group HR director, Centrica plc

Jill joined Centrica as a British Gas marketing graduate before advancing through the company to become Group HR director for Centrica plc in 2011. She has achieved operational and commercial success, as well as 'Best Companies' and 'Great Places to Work' awards throughout her career.



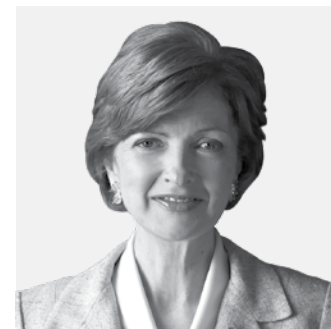
Cilla Snowball, CBE
Group Chairman and Group CEO, AMV BBDO

Cilla runs the AMV Group of communications companies. She has helped AMV BBDO hold the position of the UK's number one advertising agency for 16 years and is the first female chairman of the Advertising Association. Cilla was Honoured with a Commander of the Order of the British Empire for her services to advertising in 2009.



John Timpson, CBE
Chairman, Timpson Limited

John is the Chairman of the family chain of retail service shops trading as Timpson, Max Spielmann and Snappy Snaps. He has a weekly management column in The Daily Telegraph and has written several books about his 'Upside Down Management' style that has created one of the UK's fastest growing retailers with nearly 1,000 shops. In 2004, John was Honoured with a Commander of the Order of the British Empire for services to the retail sector.



Fiona Woolf, CBE
Partner, CMS Cameron McKenna

Fiona has advised over 25 governments and multilateral agencies on energy reforms and projects. She is an Alderman of the City of London and a former President of the Law Society. Fiona was Honoured with a Commander of the Order of the British Empire for her contribution to the UK knowledge economy and visible earnings in 2002.



Read the full report at
womensbusinesscouncil.dcms.gov.uk

