

South Australian Women's Business Aspirations Survey 2022

Findings and recommendations

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Aboriginal people have made and continue to make a unique and irreplaceable contribution to the state of South Australia.

The Premier's Council for Women acknowledges and respects Aboriginal people as the state's first people and nations, and recognises Aboriginal people as traditional owners and occupants of South Australian land and waters.

The Premier's Council for Women acknowledges that the spiritual, social, cultural and economic practices of Aboriginal people come from their traditional lands and waters, and that Aboriginal people maintain cultural and heritage beliefs, languages and laws which are of ongoing importance today

Premier's Council for Women

The Premier's Council for Women (PCW) was established in 2002 as a women's advisory council to the South Australian Government. The aim of PCW is to provide quality advice to the South Australian Government about issues relating to women, and to assist in facilitating a whole of government approach to addressing the needs of all South Australian women. Council members are committed to improving the opportunities, wellbeing and services for South Australian women.

For more information on PCW visit https://officeforwomen.sa.gov.au/advisory-boards/premiers-council-for-women

A note on data

The data in this report cannot be viewed as representative of the business community in South Australia as the respondents opted in to complete the survey and are not a statistically representative sample. The data presented represents the views of those that responded to the survey.

Please note that figures may not add up to 100% due to rounding.

Terminology

The term entrepreneur can be problematic as it is both a descriptor and a title with many different meanings and definitions. Some form of innovation or new thinking and creativity implied - and it is something that many women do not see themselves as. The Global Entrepreneur Monitor 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". For the purposes of this survey, we used the term women in business to ensure the broadest definition possible.

Background

Despite making sound business sense for investors and the economy, Australia lags the rest of the world when it comes to the number of women in business. It has been estimated that increasing the participation of women in high-productivity sectors alone has the potential to add $6 trillion to the collective annual GDP of the Asia Pacific, or a 12 percent increase in business-as-usual GDP.[1] The OECD further expects the benefits of leveraging the untapped potential of women entrepreneurs to include boosting economic growth by up to 2 percent of global GDP,[2] and a Citi GPS analysis has made a conservative estimate that closing the gender gap in business growth globally could add up to $2.3 trillion to GDP and up to 433 million jobs.[3]

Women who do take a chance on establishing a business are generally less likely to receive funding than men. This is despite research that found that women-founded and co-founded start-ups[4] provide a return of 78 cents per dollar invested compared with 31 cents for men-founded start-ups.[5]

Despite growing support and attention for women founders in Australia, women founders received 0.7% of private sector funding in FY22.[6]

Keen to understand the state of play for South Australian women, the Premier's Council for Women undertook a survey of South Australian women business owners and those aspiring to own businesses. The aim of the survey was to inform the work of PCW and determine where to focus their efforts to best support South Australian women's participation in business, and, ultimately, women's economic wellbeing.

PCW were also interested to see how South Australian women fared during the height of the COVID-19 pandemic, and how their experiences compared to other Australian women, and women across the globe.

The survey was available through the South Australian Government's YourSAy digital engagement website from 9 May 2022. The survey was open for nine weeks, in which time 180 responses were received.

This report provides a summary of the survey findings and recommendations for the consideration of the South Australian Government.

Key findings

Of the 180 respondents to the survey, 154 (85.6 percent) stated that they owned at least one business, with the remaining 26 being aspiring business owners.

The overwhelming majority of respondents (67 percent) stated their start-up funding came from personal savings.

Most businesses were in the healthcare, wellbeing and social assistance industry. This was followed by arts, creative and fashion, and professional, scientific and technical services.

We asked respondents about the top three things that were most important when they started their business: to increase awareness of my brand/product/business; help finding a customer base; an understanding of business basics.

When comparing this with the top three things respondents who are current business owners reported that they need assistance with now, there is a significant similarity: to increase awareness of my brand/product/business; funding or capital; access to networks.

The top three barriers women business owners are currently experiencing are: lack of capital; time commitment to caring responsibilities; COVID-19.

We asked respondents what their top three reasons were for starting, or wanting to start, their own business[7]: I wanted to be my own boss (74 percent); I had an idea / I found a gap in the market (71 percent); I wanted flexibility (66 percent).

These reasons speak predominantly to 'pull' factors motivating women towards entrepreneurism and business activities. They speak to a general enthusiasm towards the pursuit of business activities, that women desire choice and flexibility in choosing the work that they do, the ways in which they go about their work, and how they schedule this.

As we move into an era of flexible working with technology facilitating a range of business working methods, those finding themselves stuck in a 9-5 job that is not taking advantage of flexible working arrangements would be less attractive to entrepreneurs seeking greater control over the ways their lives – business and home – interact and overlap.

The fact that the second most popular reason for being interested in running a business was that respondents had an idea or had found a gap in the market shows strong creativity, confidence and business acumen within the cohort – all highly valuable characteristics of successful businesspeople.

Summary of recommendations

The Premier's Council for Women recommends that the South Australian Government utilise the findings of this survey to inform the development of policy and programs, and consider:

1. Review accelerator and incubator intake requirements and set targets increasing the intake of women and therefore, access to education and training, networks and funding
2. Create funding opportunities for women across the pipeline to redress the imbalance of funding provided to male entrepreneurs
3. Set targets to increase the number of Government funded programs and capital provided to South Australian women
4. Create educational resources for investors, and those working within entrepreneurial spaces, that promote the profitability and high returns on investment for women-owned businesses
5. Establish targeted mentoring opportunities for women in South Australia
6. Create opportunities for professional women's networks to collaborate to combine skills, knowledge, networks and resources
7. Create co-working spaces with childminding facilities to increase networks for women and those with caring responsibilities
8. Develop pathways linking skilled workers with potential employers
9. Develop an easy access, central one-stop-shop for expert and professional information for women in business or who want to start a business
10. Foster the entrepreneurism of South Australian women by addressing the barriers in place to them starting businesses (as identified in this survey)
11. Target training opportunities for women wanting to start a business.

Australian women founders with program or network support were 1.4 times more likely to raise capital than other founders[8]

South Australian Women's Business Aspirations Survey

Demographics and diversity

Given the survey was seeking information about South Australian women, it is no surprise that the majority of respondents (168 or 93 percent) selected cis woman as their gender identification. Four identified as non-binary, one as a transgender woman, one as a different pronoun, and six preferring not to disclose.

Four of the 180 respondents (2.2 percent) identify as **Aboriginal or Torres Strait Islander**, and 30 (16.6 percent) were from a **culturally or linguistically diverse background**. Of these, 27 respondents provided information about their cultural background or country of origin, representing a range of European, Asian, Russian, Indian, Latin American and African nations.

29 respondents (16 percent) identified that they **live with a disability**.

While the majority of respondents stated that they live in the **Metropolitan Adelaide** area, 20 percent reported that they live in **regions** such as the Adelaide Hills, Fleurieu, Murray Bridge, Limestone Coast, Yorke Peninsula, Mid North, Eyre, Light, Barossa, and the Mid- Murray.

Of the 180 respondents, 165 (91.6 percent) stated that their **highest attained education level** was Certificate level or higher. 37 percent of respondents had achieved a bachelor's degree, with a further 30 percent reporting they had attained a higher degree of Masters or above.

154 (85.6 percent) stated that they **owned at least one business**, with the remaining 26 being aspiring business owners. The following sections describe responses from each of these different groups.

In July 2020, there were almost 715,000 women business owner/managers, including 381,000 part-time and almost 334,000 full-time, in Australia.[9]

In 2021, 20 percent of South Australian start-up founders were women.[10]

About business owners

We asked participants **how old they were when they started their first business**. One third (33 percent) of respondents started their businesses between the ages of 35 and 44, which corresponds with the age many women take time out of the workforce to have children. Perhaps this is a time when considerations such as flexible working are the most significant, creating pull factors towards being one's own boss.

Over a quarter (27 percent) of respondents were aged 45 years or over when they started their business, demonstrating that skills and experience gained earlier in life can be transformed into entrepreneurial and business skills.

Another 38 percent of respondents started their businesses between the ages of 25 and 34, and two percent under the age of 18. Due to a technical error, ages 19 to 24 were not included as an age option. However, one respondent made contact to let us know that they were 21 when they started their business.

The majority (68 percent) of current business owners that responded **owned just the one business**, with a further 27 percent stating they owned two, and five percent that they owned three or more.

Most business owners (31 percent) told us they had been **running their business/es for ten years or more**. This demonstrates that there is a significant amount of experience and skill in the field of business in this state – and a significant knowledge bank available to draw on.

We asked business owners **how many hours, on average, they worked per week** at their business/es. It is pleasing to note that most (84 percent) of respondents stated they work at their business/es either 50 hours or less on average in a week, and not more!

In 2015, 57% of Australian women business operators were pleased or delighted with the quality of their lives, outperforming male business operators, women employees, and male employees. [11]

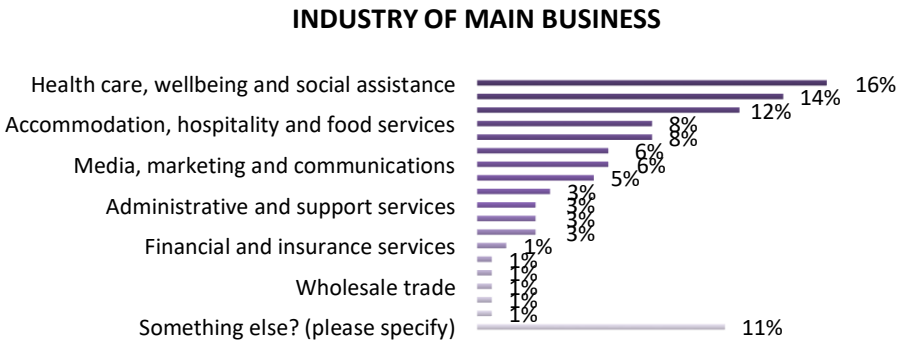
Adjacent to this, we asked business owners if they were **employed outside their business**, with 76 percent only working for themselves. While we did not gain further details on the hours or types of work for those that are employed outside their business, we suggest that for some respondents there is a need to balance their business with paid employment in order to make their business feasible or to supplement their income.

About businesses

We asked business owners about the **number of employees they had working for them**. 80 percent of business owners indicated that they either work alone or with a small team of five or less. Only five percent of respondents employed 21 or more employees, which is consistent with the large number of small and family businesses in our state.

Unfortunately, nine percent of respondent's **businesses are currently running at a loss**. However, the strength of women run businesses is highlighted by the fact that almost a quarter of respondents (23 percent) **businesses are turning over $500,000 or more** each year. 85 percent of respondents indicated they are **looking to grow their business**.

Most businesses were in the healthcare, wellbeing and social assistance industry. This was followed by arts, creative and fashion, and professional, scientific and technical services.

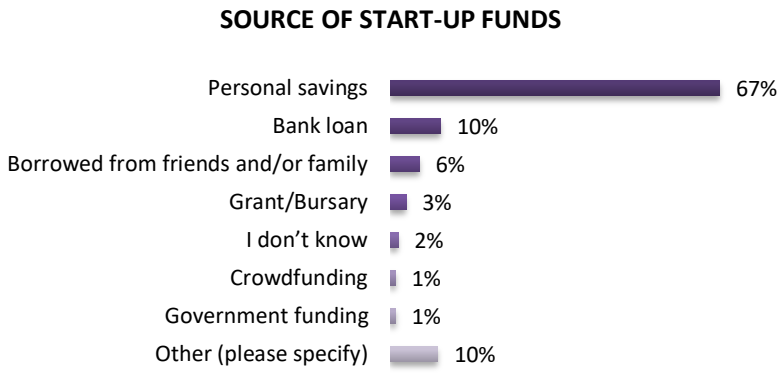


Industries under 'something else' included community engagement, e-commerce, not for profit, pet services, tourism and events, trades and video games industry and mobile software.

Starting your business

To establish where barriers are, we thought it was important to know where current business owners' **start-up funds came from**. The overwhelming majority of respondents (67 percent) stated their start-up funding came from personal savings.

'Other' funding sources included superannuation; consistent cash flow – funds coming in; business partner; credit card; an existing family business and didn't require start-up funds; I didn't have any start-up funds; I didn't need start-up funds; I was offered the franchise by company I was employed as a contractor for; income protection; inheritance; service delivery; NEIS payment; government grant.



We asked respondents about **the top three things that were most important when they started their business**:

- To increase awareness of my brand/product/business (23 percent)
- Help finding a customer base (23 percent)
- An understanding of business basics (22 percent).

Website development (21 percent) and access to networks (20 percent) also scored high. 'Something else' responses included personal qualities, sufficient cashflow, building on my reputation, business model validation, experience and business skills needed to build and run a business, market research/testing and ability to turn a profit.

Recommendations

Recommendation 1: Review accelerator and incubator intake requirements and set targets increasing the intake of women and therefore, access to education and training, networks, and funding

Recommendation 2: Create funding opportunities for women across the pipeline to redress the imbalance of funding provided to male entrepreneurs

Recommendation 3: Set targets to increase the number of Government funded programs and capital provided to South Australian women

Growing your business

When comparing this with **the top three things business owners reported that they need assistance with now**, there is a similarity:

- Access to networks (38 percent)
- To increase awareness of my brand/product/business (34 percent)
- Funding or capital (27 percent)

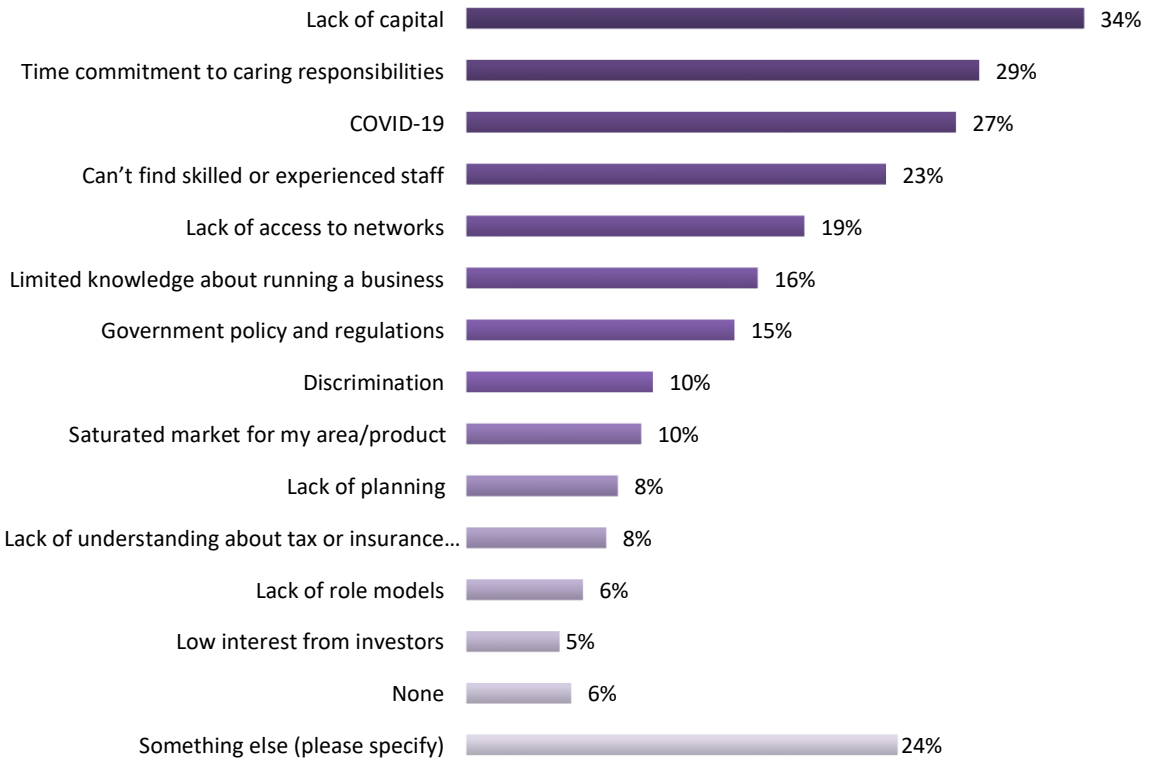
Increasing awareness of their brand/product/business is still as significant to business owners as it was when they began. Also significant are the needs for funding/capital, access to networks, mentoring, and staff.

Responses under 'something else' included admin support, legal advice, help on growing or expanding my business, help with expanding my business, international connections and advice and transition to retirement.

Women entrepreneurs face two types of barriers: (1) access to finance, and (2) full participation in public life and the business ecosystem. These barriers appear at different stages of the entrepreneurial lifecycle.[12]

Similarly, when asked about **barriers for business owners**, we found a distinct pattern in terms of a need for funds with a lack of capital reported as the most common barrier (34 percent). Given this has shown up across three different measures it is clear this is a significant issue for business owners.

TOP 3 BARRIERS EXPERIENCED RUNNING A BUSINESS



Recommendations

Recommendation 4: Create educational resources for investors, and those working within entrepreneurial spaces, that promote the profitability and high returns on investment for women-owned businesses

Recommendation 5: Establish targeted mentoring opportunities for women in South Australia

Recommendation 6: Create opportunities for professional women's networks to collaborate to combine skills, knowledge, networks, and resources

Recommendation 7: Create a co-working spaces with childminding facilities to increase networks for women and those with caring responsibilities

Aspiring business owners

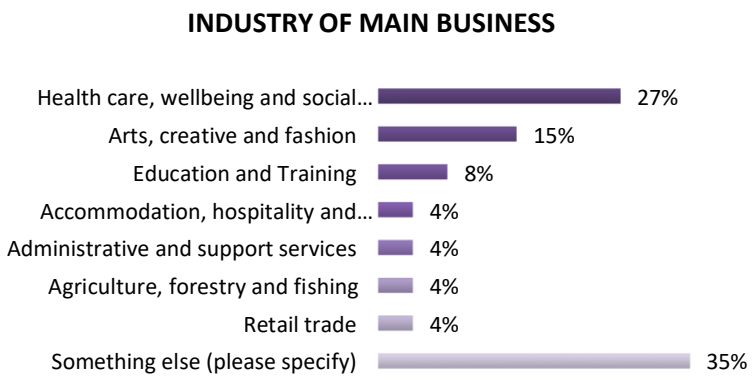
The survey received 26 responses from aspiring business owners. Of these:

- many are still investigating their options before they start their business (38 percent)
- nearly two thirds (62 percent) that responded to the survey thought they might need to work between ten and thirty hours per week
- 62 percent stated that they did not intend to be employed outside their own business
- 62 percent plan to start their business in the next 12 months and 23 percent within 24 months

Mirroring responses from current business owners, most aspiring business owners stated they wished to start a business in the healthcare, wellbeing and social assistance **industries** (27 percent).

Industries listed under 'something else' included:

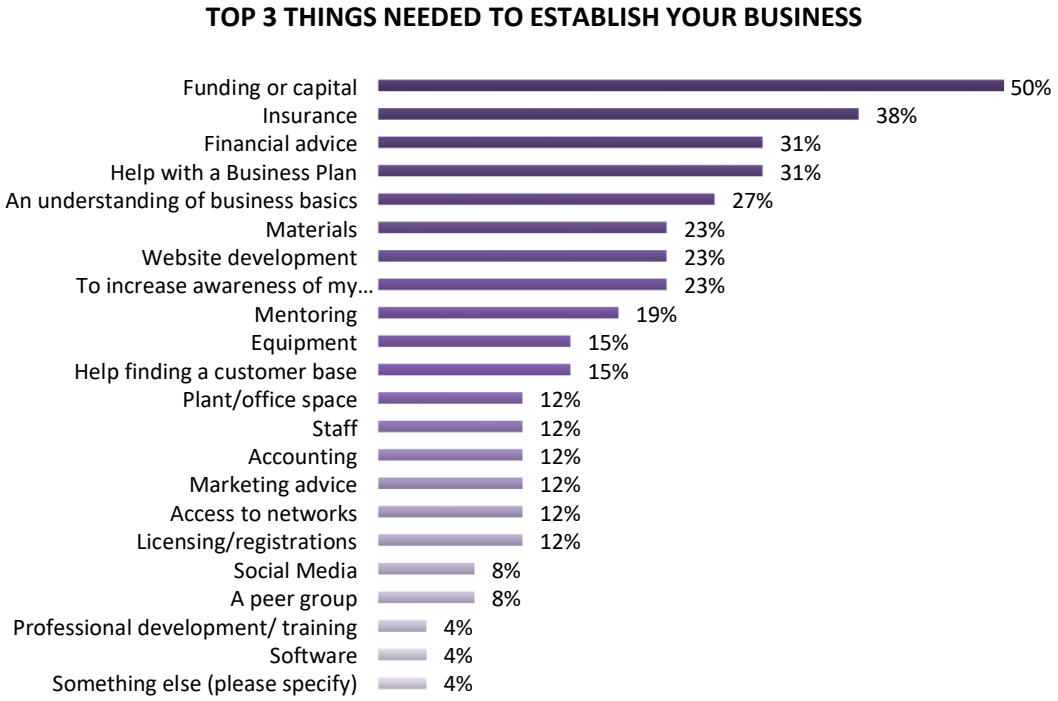
- Architectural science and design
- Consultancy business
- Disability
- Equine assisted life coaching program
- Manufacturing and selling candles
- Op Shop/cafe that employs those in our community with disabilities
- Supporting LGBTIQA+ communities
- Womanhood nature connection
- Motorbike T-Shirts and merchandise



Starting your business

We asked aspiring business owners about the **top three things they would need to establish their business**. Access to funding or capital was clearly the top priority. It is clear this is a significant issue for women entrepreneurs and aspiring business owners. Also in the top five are targeted training for those interested in starting a business, particularly for women.

We also asked aspiring business owners about their **top three barriers to establishing a business**. Many of the issues identified above are mirrored here – lack of capital (54 percent), limited knowledge (35 percent), lack of understanding about tax or insurance (27 percent), and, similarly to business owners, the difficulties with caring responsibilities (27 percent)



The **source of start-up funds** for aspiring business owners was similar to those more established. For the vast majority of respondents (85 percent), their expected source of start-up funds was personal savings. However, almost a quarter (23 percent) stated they didn't know where their start-up funds would come from.

Targeted support for women founders has significant economic impacts—businesses supported by SBE, Heads Over Heels and Scale Investors facilitated $1 billion in total value add to the Australian economy and nearly 4,900 full time equivalent (FTE) roles.[13]

Similar responses were found to the **main reasons aspiring business owners were attracted to running their own business** to established business owners – being pulled towards a commitment to give back through their work (27 percent), more flexibility (27 percent), wanting to be their own boss (23 percent), and wanting a new direction in life (23 percent); but also having an idea (31 percent), personal hobby or interest (27 percent) they believe will fit a gap in the market.

Under 'something else' aspiring business owners wrote:

- Feeling stagnant in current job
- Toxic workplaces – harassment and discrimination
- Ageism
- I want to use my personal experience to create a product that helps people avoid my negative experience
- Semi-retirement plan
- To create opportunities for my children to work with me
- To transition from full time work to part-retirement
- Wanting to use personal resources and knowledge to help others (particularly in NDIS/Domestic violence spaces)

Recommendations

Recommendation 8: Develop pathways linking skilled workers with potential employers

Recommendation 9: Develop an easy access, central one-stop-shop for expert and professional information for women in business or who want to start a business

Recommendation 10: Foster the entrepreneurism of South Australian women by addressing the barriers in place to them starting businesses (such as those identified in this survey)

Recommendation 11: Target training opportunities for women wanting to start a business

Acknowledgements and next steps

The Premier's Council for Women would like to thank the hard-working staff at YourSAy and the Office for Women for bringing this engagement together.

Most importantly though, we want to extend our deepfelt thanks to the 180 women who shared their aspirations, challenges, and ideas through the survey. It was not a surprise to learn of the extraordinary creativity, resourcefulness, and resilience of South Australian women, and it was our great pleasure to gain an insight into their lives and discover the deeply personal motivations and passions driving them towards business.

Whilst this engagement is now concluded, this conversation is far from over. We have overwhelmingly heard that women are excited by the opportunity to be heard, and to share insights into their experiences to make positive influences on the decisions made by government. We will continue to advocate for the centering of women's experiences in decision-making and look for opportunities to facilitate the inclusion of their voices.

We invite you to stay in touch with our work. Future opportunities to contribute on key issues affecting South Australian women will be promoted on the Office for Women website as they become available.

References

[1] Asia Link Business, Empowering women innovation leaders in Australia and Southeast Asia: A regional blueprint (2020), <ALB0102_WomenLeadershipAsia_Report2020_v18_(003).pdf (asialinkbusiness.com.au)>

[2] OECD, Women enterprise policy and COVID-19: towards a gender-sensitive response (9 June 2020) < https://www.oecd.org/cfe/leed/OECD_Webinar_Women_Entrepreneurship_Policy_and_COVID-19_Summary.pdf>

[3] Citi GPS, Women entrepreneurs: Catalyzing Growth, Innovation and Equality (2022), <https://www.citivelocity.com/citigps/women-entrepreneurs/>

[4] A business is considered a start-up if: it was founded in the last ten years; it develops its own innovative products or services; it competes for national or overseas customers; it has raised, or has potential to raise, private investment; it has the potential to scale and become highly profitable (Office of the Chief Entrepreneur South Australia).

[5] Asia Link Business (2020).

[6] Deloitte (2022).

[7] The results reported in this section include responses from both groups.

[8] Deloitte (2022).

[9] ABS cat. no. 6291.0.55.001, 'Table 08. Employed persons by Status in employment of main job and Sex', Labour Force, Australia, Detailed -Electronic Delivery, Aug 2020

[10] fixe Future Industries Exchange for Entrepreneurship, 2021 South Australia Startup Report.

[11] ABS, A profile of Australian women in business (2015) <https://www.pmc.gov.au/sites/default/files/publications/profile_of_australian_women_in_business.pdf>

[12] Citi GPS (2022).

[13] Deloitte Accelerating women founders: The untapped investment opportunity (2022), <https://www2.deloitte.com/au/en/pages/economics/articles/accelerating-women-founders.html.>