

# Women's entrepreneurship and self-employment, including aspects of gendered Corporate Social Responsibility<sup>1</sup>

This study was commissioned by the European Parliament's Policy Department for Citizens' Rights and Constitutional Affairs at the request of the FEMM Committee. It highlights that despite the increasing number of public policies and institutional resources designed to promote women-led business, the entrepreneurship gender gap persists. This study aims to analyse this apparent contradiction, focusing on three main questions: What are the constraints that women face when deciding to become entrepreneurs? What factors attract women's interest and motivate them to start their own business? And which policies may benefit women's entrepreneurship?

## Background

The European Union aims to be a leading economic power and entrepreneurship reveals as a crucial tool to achieve this goal. Entrepreneurship has not only been recognised as a driving force for employment and economic growth, but it also promotes innovation and develops skills that can be an invaluable source of competitive advantage for countries. Therefore, understanding the factors driving entrepreneurial activity is key for improving public policies.

The promotion of entrepreneurship has become a priority for governments when designing development strategies. Entrepreneurship is embedded in a social context, so external factors and environmental conditions greatly affect the creation and development of enterprises. However, entrepreneurial activity begins with entrepreneurs, those who may want to go into business. Consequently, understanding these individuals, their motivations and challenges, seems crucial to better implement policies aimed at enhancing entrepreneurship.

This growing interest in entrepreneurship has recently highlighted the role of women in entrepreneurial activity. In fact, despite the strong increase in their labour market participation women are still under-represented as entrepreneurs. In 2019, women were less likely than men to be entrepreneurs in several European countries, although this unevenness varied across countries. As a case in point, the gender gap in entrepreneurial intention is relatively small in Spain, the Netherlands, Luxembourg, or Greece, while it increases in Latvia, Croatia, or Ireland.

This evidence of the under-representation of women entrepreneurs, coupled with the belief that entrepreneurship brings significant benefits to both women and nations, has raised high expectations about

<sup>1</sup> Full study in English: [http://www.europarl.europa.eu/RegData/etudes/STUD/2021/694301/IPOL\\_STU\(2021\)694301\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2021/694301/IPOL_STU(2021)694301_EN.pdf)



the role that governments can play in promoting entrepreneurship. As a result, public authorities and international bodies -such as the European Union (EU) and the United Nations (UN)- have introduced women's entrepreneurship into their discourse. In addition, the UN Sustainable Development Goals (SDGs) have driven the need to apply the gender lens as part of sustainable development, while reducing inequalities, prioritising equality, and avoiding discrimination are specifically addressed through this agenda (SDGs 10 and 5, respectively).

Women have traditionally faced significant barriers at the time of becoming entrepreneurs. In response to these difficulties, national strategies and European support actions have been designed to promote female entrepreneurship. Hence, entrepreneurship is supported through various measures that help women overcome barriers and provide advice to better enter business. These actions seem necessary to boost female entrepreneurship, but they are not sufficient to understand women entrepreneurs. Policy makers need to realise that women are a specific group with their own motivations, expectations and challenges.

This study aims to provide an overview of women's entrepreneurship, focusing on European countries. The study provides an analysis of women's motivations when starting a business, as well as information on the challenges they face and the elements that women perceive as facilitators to become entrepreneurs. Based on this analysis, a proposal for a new policy approach to support women in entrepreneurship is provided. This proposal for a gender-aware framework for entrepreneurship supplies a roadmap for policy makers to better harness women's latent entrepreneurial spirit.

## Aim

- The aim of this study is twofold. The first goal is to identify the main motivations of women entrepreneurs in the European context, as well as the barriers they face and the main enhancers they perceive to start business. The second goal is to provide possible actions for empowering female entrepreneurship. Additionally, this study identifies useful practices and policies to foster women's entrepreneurship, focusing on those that can reduce the negative impact of barriers that undermine women's progress in entrepreneurship.

## Methodology

This study is based in a set of research steps:

- An in-depth review of relevant literature on women entrepreneurship that includes a bibliometric analysis aimed at identifying both the most relevant topics and the main researchers in this field.
- A desk-based review on information and data on women's entrepreneurship.
- Interviews with entrepreneurs, to better understand the main factors that were identified from literature review as motives, barriers, and enhancers to entrepreneurial activity.
- A Delphi panel, to secure previous results and make assumptions about entrepreneurial behaviour.
- A questionnaire, distributed to a number of people in the EU countries. The aim of this questionnaire was to capture first-hand information on the main reasons that have driven their entrepreneurial activity, the barriers they face on this path and the elements that could help them to become entrepreneurs. The questionnaire was distributed between women and men to better capture possible differences in their responses.
- An empirical study to better understand gender differences in entrepreneurial activity.
- A review of entrepreneurial ecosystems within the EU.

## Structure

The study consists of six chapters. Chapter 1 presents an overview of women's entrepreneurship, providing a general introduction to the topic. Particular attention has been paid in this chapter to identifying the drivers, barriers, and enablers of female entrepreneurship. Chapter 2 describes the main elements of national support schemes for female entrepreneurship. Chapter 3 presents the empirical research, where the main results are identified highlighting gender differences. Chapters 4 and 5 discuss alternatives to address the constraints of women entrepreneurship more effectively, as well as measures to improve entrepreneurship among women. Finally, Chapter 6 presents the main conclusions, including policy orientations.

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PE 694.301

IP/C/FEMM/IC/2021-033

Print  
PDF

ISBN 978-92-846-8403-8 | doi: 10.2861/957699 | QA-02-21-933-EN-C  
ISBN 978-92-846-8402-1 | doi: 10.2861/754652 | QA-02-21-933-EN-N