

# Global Entrepreneurship Monitor 2012 Women's Report

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# Foreword

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As the global economy slowly regains ground following the worldwide recession, entrepreneurship is increasingly recognized as **the** broad-based driver of economic growth and societal well-being. Both high impact and small-scale entrepreneurs are garnering the increased attention of educators, policymakers and practitioners. The spotlight on these entrepreneurs has revealed that much more can be done throughout the world to build local ecosystems in which they can better thrive.

Few resources are as underutilized in these ecosystems as women: if women are not actively engaged as entrepreneurs, the job creation capacity of half the world's population is lost. Not surprisingly, the 2012 GEM Women's Report shows that women's participation in entrepreneurship differs around the world, as does their impact on job creation and innovation. **Still, in nearly every economy there are fewer female than male entrepreneurs, and they appear to show reluctance to scale their businesses or to enter new and less tested markets.** The report raises many intriguing questions, including how women's participation in entrepreneurship in various societies reflects different attitudes and perceptions about women and how these cultural constraints impact the potential of women as entrepreneurs.

One theme that emerges from the findings is the importance of developing support networks, women mentors and local women as role models. Women need to be encouraged to create networks and make connections with people who can

provide advice and services. Babson's Center for Women's Entrepreneurial Leadership has documented how grassroots efforts bring the pipeline of potential entrepreneurs together with women who have started businesses to share their knowledge, experience and inspiration.

Another theme relates to the importance of education and training for enabling and empowering women entrepreneurs. Education and training are not only about raising skill levels, but also result in confidence building and changing women's perceptions of themselves. Their self-perceptions are key given that in many societies women are going against the tide of cultural values and attitudes to become entrepreneurs.

To help aspiring women entrepreneurs overcome the unique challenges they face, government policymakers can use the findings of this report to tailor initiatives and programs in their countries. For example, they can:

- Assess the state of women's entrepreneurship by tracking over time key indicators, such as the gender of those who start and run businesses, the mix of industries in which women entrepreneurs participate and the contribution to job creation by women entrepreneurs;
- Design targeted initiatives, such as government procurement programs that provide women entrepreneurs with equal access to opportunities as suppliers of goods and services; and
- Deliver educational and training programs to women entrepreneurs that go beyond business start-ups to focus on growth.

Advancing entrepreneurship has been the central mission of Babson College for decades, and we are pleased to join again with our partner schools in all regions of the world to disseminate and build on our latest GEM research. Special thanks go to our global sponsors, Universidad del Desarrollo (UDD) in Chile and Universiti Tun Abdul Razak in Malaysia for their support of this important work, and to all the GEM country teams that have contributed to this collaborative effort.

In moving forward, we are confident that the GEM Women's Report can have a significant impact globally in encouraging countries to actively recognize, celebrate and support the efforts of women entrepreneurs. This will be a welcome step in transforming an underutilized resource into a full-fledged contributor to economic development, innovation and enhanced societal value throughout the world.



Dr. Kerry Healey  
President  
Babson College

“... IN NEARLY EVERY ECONOMY THERE ARE FEWER FEMALE THAN MALE ENTREPRENEURS, AND THEY APPEAR TO SHOW RELUCTANCE TO SCALE THEIR BUSINESSES OR TO ENTER NEW AND LESS TESTED MARKETS.”

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**Ariana Huffington**  
**Huffington Post, United States**

# Executive Summary

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In 2012, an estimated 126 million women were starting or running new businesses in 67 economies around the world. In addition, an estimated 98 million were running established businesses.

These women are not only creating jobs for themselves and their co-founders, but they also employ others. A projected 48 million female entrepreneurs and 64 million female business owners currently employ one or more people in their businesses.

In addition, these women plan to grow their businesses. A predicted seven million female entrepreneurs and five million female established business owners plan to grow their businesses by at least six employees over the next five years.

## Role Expectations

One prevalent influence on women's entrepreneurship is the role women hold in their families; they are most often the primary caregivers for children (and sometimes parents). In Chile, while women have increasingly participated in all labor sectors, including the creation of businesses, traditional gender roles are still very present. In Chilean society, the responsibility for caring for the family is predominantly assigned to women. As a result, women entrepreneurs often need to juggle both family and entrepreneurship, and this often restricts their ability to grow their businesses.

In the Republic of Korea, women entrepreneurs also face difficulties maintaining their businesses while assuming responsibility for household chores and child upbringing. In addition, it is hard for women entrepreneurs to break into the male-oriented business culture and the business networks dominated by men.

Child care would appear to pose a solution, but social pressures may dissuade women from putting their child in the care of others, or the availability or costs may be prohibitive. In Mexico, for example, daycare options are limited to expensive private services. In contrast, a 2011 law in Poland allows greater flexibility

The GEM Global Women's Report offers an in-depth view of women who start and run businesses around the world. It provides both a broadly global and a comprehensively detailed foundation for guiding future research, policy decision making and the design of initiatives and programs that can enhance awareness about women entrepreneurship. As such, this report brings a greater understanding of women's entrepreneurship to a diverse audience of researchers, policy makers, educators and practitioners. The ultimate aim is to foster an environment that encourages women to see entrepreneurship as a viable career option and to equip them with the tools to create the type and quality of businesses they wish to build, as well as create broader awareness among stakeholders that will support their efforts.

The Global Entrepreneurship Monitor (GEM) has gained widespread recognition as the most authoritative longitudinal study of entrepreneurship in the world. It accomplishes this effort through the collaborative work of a consortium of national teams consisting of academic researchers from across the globe. Each national team oversees an annual survey of at least 2,000 working-age adults (ages 18–64). Starting with just 10 developed economies in 1999, the project has grown to involve 99 economies over 14 annual cycles. In 2012 alone, GEM surveyed 198,000 adults in 69<sup>1</sup> economies.

Each year, GEM publishes a global report that details the latest survey results from participating teams around the world. In addition, national teams produce reports covering their particular economies. The GEM Women's report is a global special topic focus of GEM. This report recognizes that women represent half the world's population, yet the rate and nature of their participation in entrepreneurship differs markedly from men, and among women in different economies and regions.

GEM is uniquely positioned to examine women's entrepreneurship, given its focus on the people that start businesses, whether or not they are operating informal or formally registered businesses. Besides assessing rates of participation in different phases of the entrepreneurship process, this research measures profiles of entrepreneurs, their motivations for starting businesses, their current and potential impact on their societies, and the attitudes of the broader society about this activity.

This report compares women entrepreneurs and assesses gender differences across seven regions with geographic and economic development similarities, and two individual economies: Sub-Saharan Africa, Middle East/North Africa/Mid-

for setting up nurseries and kindergartens, and provides a state-funded insurance program that pays for baby sitters. Sweden has well-developed parental benefits—paid paternal leave for up to 18 months, paid leave for sick children, tax-funded daycare guaranteed for all children, etc. These and other benefits tend to be tied to work as employees, however, making entrepreneurship comparatively more risky.

The United States generally does not suffer from overt discrimination in regards to opportunities or resources related to women starting and growing businesses. At the same time, covert discriminatory practices are sometimes found, particularly in obtaining higher-level resources such as equity capital or corporate procurement contracts. These covert practices are subtle, and sometimes not even recognized by entrepreneurs, in that they have to do with status expectations or gendered roles. For instance, it is expected that men will be venture capitalists or fast growth high-tech entrepreneurs, but less expected that women will be in these roles.

<sup>1</sup>While the overall GEM 2012 survey included 69 economies, data were not available for two economies at the time of this report. For this reason, the GEM Women's Report is based on 67 economies.

## EXECUTIVE SUMMARY

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MENA/Mid-Asia, Latin America/Caribbean, Developing Asia, Developed Asia, Developing Europe, Developed Europe, the United States and Israel. Despite varying levels of participation in entrepreneurship across these regions and among individual economies, it is clear that women are engaged at multiple phases of this process, and they are contributing to job creation, innovation and global competitiveness in their societies. They represent, collectively, a broadly diverse array of profiles, motivations and future aspirations.

### KEY FINDINGS

#### Rates and Profile of Women Entrepreneurs

- **Entrepreneurship Participation Rates.** Women's participation in entrepreneurship varies markedly around the world. In Pakistan, women entrepreneurs represent only 1% of this gender's population, while 40% of women in Zambia are engaged in this activity.

The highest regional female Total Entrepreneurial Activity (TEA) levels can be seen in Sub-Saharan Africa, where 27% of the female population on average are engaged in entrepreneurship. Latin America/Caribbean economies show comparatively high levels as well (15%).

Lower female TEA levels are evident at either end of the economic development scale. The MENA/Mid-Asia region reports the lowest average TEA levels among women (4%). Developed Europe and Asia, and Israel also show low rates (5%).

In general, female TEA rates track similarly to that of males, albeit at lower levels. In just seven economies (Panama, Thailand, Ghana, Ecuador, Nigeria, Mexico and Uganda), women had equal or slightly higher levels of entrepreneurship than men. For the rest, women represented a smaller share of the entrepreneur population. The MENA/Mid-Asia group shows the greatest gender disparity, where male TEA rates are four times that of females. On average, Sub-Saharan Africa and Developing Asia exhibit the greatest gender parity.

Longitudinal analyses of a select group of economies that have participated in GEM every year since 2005 show a variety of patterns over an eight-year period, with a few exhibiting slightly downward trends, some showing either stable or fluctuating patterns, while others showed increases, some quite markedly.

- **Established Business Activity.** TEA rates tend to be higher than established business activity. In Sub-Saharan Africa and Latin America/Caribbean, female TEA rates are high; however, there are less than half as many women established business owners on average in each region. For the MENA/Mid-Asia region, women's TEA rates are already low, but established business ownership is only one-fourth the level of female TEA. The Asia regions (both Developing and Developed) show greater or nearly equal established business ownership relative to TEA; this is mainly due to some economies having very high established business ownership relative to TEA.
- **Business Discontinuance.** Sub-Saharan Africa registers a lot of business stops among women, and at a higher level than for men. This region, however, has a high TEA rate. In contrast, the MENA/Mid-Asia region also has a high number of stops, but there were fewer starts (TEA). In the U.S. and developing Asia, there are relatively few women stopping, and this is accompanied by high TEA rates.

Women in Developed Europe are slightly more likely to have a higher proportion of exits due to lack of profitability than do men, with nearly half the women discontinuing for this reason. For women exiting businesses in the U.S. and Israel, nearly one-third and one-fourth, respectively, cite problems with finance, a much higher proportion than men.

- **Business Profile: Industry and team.** On average in every region, at least half the women entrepreneurs operate in the consumer sector—accounting for as much as four-fifths of the women entrepreneurs in Sub-Saharan Africa. Men often compete in the consumer sector as well, but display much more diversity in industry sector participation. An emphasis on the consumer sector is particularly characteristic of regions with many factor-driven economies, while the developed world sees more business services activity.

The percentage of women entrepreneurs that are sole owners of their ventures ranges from just over half in Developing Europe to nearly nine-tenths in Israel. There are still many one-person businesses at the established phase; again, developing Europe shows the lowest level (61%) while Israel shows the highest (86%). Men were generally more likely to work with one or more co-founders.

- **Demographics of Entrepreneurs: Age and Education.** In many of the regions, female youth (18-34 years) participate in entrepreneurship at the same or similar rate as the older population (35-64 years). This includes Sub-Saharan Africa, Latin America/Caribbean, Developed Asia and Europe, and the United States: regions extending across all levels of economic development. In most regions of the world, entrepreneurship is therefore as popular among young women as it is for their older counterparts. In both Developing Europe and Israel, however, female youth rates are, on average, 63% higher than their older peers.



The lowest levels of education can be seen in Sub-Saharan Africa, where an average of 15% of female entrepreneurs have a post-secondary degree (college) or higher: slightly more likely than female non-entrepreneurs/non-business owners, but lower than that of male entrepreneurs. The highest levels of post-secondary graduate entrepreneurs can be seen in the U.S., where 70% of women entrepreneurs achieved this level of education. This is higher than non-entrepreneurs/business owners, and relatively similar to men.

- **Family Context: Household size and income.** The average household size for female entrepreneurs ranged from three people in Europe and the U.S. to five people in Sub-Saharan Africa and MENA/Mid-Asia. This was similar to what female non-entrepreneurs/non-business owners reported. Male entrepreneurs also had similar household size averages as women entrepreneurs at the regional level.

Women entrepreneurs in Sub-Saharan Africa, MENA/Mid-Asia and Developed Asia are more evenly distributed across household income levels. In Latin America/Caribbean, Developing Asia, Europe (Developing and Developed) and the U.S., 43% or more of the women entrepreneurs come from households in the highest one-third income category. In Israel, however, women are over half as likely to be in the middle one-third income group.

### Attitudes and Context Factors Associated with Entrepreneurship

- **Societal Perceptions of Opportunities in the Environment.** Sub-Saharan Africa and Latin America/Caribbean show the highest perceptions of opportunities on average; 69% of adult women believed there were lots of opportunities for entrepreneurship in their areas. The lowest average perceptions of opportunities are in Developed Asia (19%) and Developing Europe (26%). Compared to men, women have lower opportunity perceptions in all regions, with the greatest difference visible in the MENA/Mid-Asia region.
- **Self-Assessment About Capabilities and Fear of Failure.** It is notable that in every single economy in the sample, women have lower capabilities perceptions than men. The region with the highest average level of perceived capabilities among women is Sub-Saharan Africa (73%), while Developed Asia (16%) show the lowest regional average.

Fear of failure is assessed in those seeing opportunities for entrepreneurship. In every region, women have, on average, a greater level of fear of failure than men. This indicator is lowest among women in the Sub-Saharan Africa region (25%), followed by Latin America/Caribbean (31%). In contrast, regions with the highest perceived fear of failure include Developed Asia (47%), Israel (52%), and Developed Europe (45%).

- **Necessity Versus Opportunity Motives.** Entrepreneurs can be motivated to start their businesses out of necessity, when there are no other options for work, or they can start because of a desire to pursue an opportunity. Opportunity motivation is generally more predominant in all regions, but even more prevalent in the developed economies, where they generally account for three-fourths or more of the women entrepreneurs. Economies with the highest levels of opportunity motivations can be found in Developed Europe, where 73% of women started their businesses primarily to pursue an opportunity.

The Sub-Saharan Africa and MENA/Mid-Asia regions show high levels of necessity motives among women entrepreneurs; on average, 37% and 36%, respectively, started their businesses out of necessity. Sub-Saharan Africa and Latin America/Caribbean show a large gender gap, where necessity motives are higher for women entrepreneurs than they are for their male peers.

- **Entrepreneurial Intentions.** Across the regions, Sub-Saharan Africa exhibits the highest average intentions (52% of women intend to start a business in the next three years). Developed Europe shows the lowest average intentions (8% of women). In nearly every economy, men have higher rates of entrepreneurial intentions than women.

An examination of intentions relative to TEA levels shows that, only in the U.S., is there one person intending to start a business for every entrepreneur. In all the other regions, there are more people with intentions than actually taking the steps to start. The ratio of intentions to actual starts is similar for women and men in most of the regions. However, the biggest discrepancy can be seen in the MENA/Mid-Asia region, where, for every woman entrepreneur, six women intend to start, but for every male entrepreneur, there are only two and a half people with entrepreneurial intentions.

- **Entrepreneurial Affiliations.** The highest percentage of women who personally knew an entrepreneur can be found in Sub-Saharan Africa, where 59% report this affiliation. In contrast, Developed Asia had, on average, the lowest percentage of female respondents who knew an entrepreneur (21%). In no economy were women more likely than men to know entrepreneurs.

## EXECUTIVE SUMMARY

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### The Impact and Future Expectations of Women Entrepreneurs

- **Impact: Innovation.** Innovation levels are highest among women entrepreneurs in the United States; 36% report having products or services that were new to some or all customers, and for which there were few or no competitors. Innovation levels for U.S. women were slightly higher than that for men. Developed Europe also reported high innovation levels for women entrepreneurs (32%), and equal to that of men. Developing Asia, on the other hand, reports the lowest level of innovation among women entrepreneurs (17%), and a lower rate than men.
- **Impact: Number of employees for new and established.** In every region (with the exception of new business owners in Developed Europe), women are more likely to operate without employees than are men. The highest rates of single person businesses, especially among women, can be seen in the Latin America/Caribbean region, where half or more of the new and established business owners operate without any employees. In Developing Europe, on the other hand, 80% or more of the women business owners operate with employees.

The largest gender differences in the proportion of single-person operations in both new and established businesses can be seen in the MENA/Mid-Asia region and Israel. Female business owners (new and established) are 60% more likely than their male peers to operate without employees on average in MENA/Mid-Asia. In Israel, women business owners are over twice as likely to do so.

- **Aspirations: Growth.** Growth projections are consistently lower for women entrepreneurs compared to their male counterparts. Among the regions, little more than one-tenth of the women entrepreneurs in Developing Asia and Sub-Saharan Africa expect to have more than five additional employees in five years. On the other hand, one-fourth of women entrepreneurs in Developed Asia and Developing Europe project this level of growth. For both men and women in each region, there are fewer established business owners projecting growth of more than five employees over the next five years—as low as 2% of women established business owners in Developed Europe.
- **Aspirations: Internationalization.** In general, female entrepreneurs in developing regions (with the exception of Developing Europe) reported lower levels of internationalization than male entrepreneurs. Developing Europe (24%) and Israel (27%) showed the highest level of internationalization among women entrepreneurs. A notable exception in the developed world is the United States, where the rate of internationalization is, along with Latin America/Caribbean, the second lowest among the regions (7% for both).

The developing regions show smaller average differences between female and male business owners with regard to the percentage who sell at least 25% of their products or services outside their national borders. The developed economies, on the other hand, show much greater gaps, with more men engaged in international trade than women. An exception can be seen in Israel, where men are less likely to sell outside their national borders.

The report closes with some implications aimed at facilitating understanding and discussion about key aspects of women's entrepreneurship.

### Implications

1. **Attitudes into Action.** The results across the regions reveal a generally strong link between women's perceptions about entrepreneurship and their rates of entering this activity. Where women believed there were good opportunities for starting businesses, and where they had confidence, ability and spirit for this activity, there were typically higher female entrepreneurship rates. Yet given that both attitudes and entrepreneurship rates differed for women and men in many regions, it is obvious that environmental conditions or constraints weigh differently on the sexes.
2. **Constraints in Moving Across Phases.** Women appear to face difficulties moving from one phase to another in the entrepreneurship process. At the front end, intent is not always accompanied by actual starts in the majority of regions. Women may want to start businesses in many cases, but a look at intent versus TEA rates elicits concern about whether this intent is translating into action. At the later stages of the process, we see that where women are jumping into this activity, there is evidence that many are discontinuing or not sustaining their business into maturity.
3. **Going It Alone.** Women more often operate businesses as single founders and without employees. One-woman operations, however, cannot leverage the ideas, abilities, resources and connections of co-founders. Nor do these contribute to job creation or the ability to grow a business. On the one hand, we can celebrate women's ability to self-employ, which may create advantages to the extent this offers more flexibility as well as income. But from an economic development standpoint, we also need women that will engage others in these endeavors. It perhaps brings up questions about collaboration as a cultural value and how this is perceived in male versus female businesses.
4. **Playing It Comfortable.** Industry participation in women's entrepreneurship shows a dominance of consumer-oriented business activity, and accompanying that, less industry sector diversity. Men in most of the regions are more keenly engaged in sectors that typically rely on capital and knowledge. In some cases, well educated women may be running seemingly lower potential businesses: for example in Developed Europe. This leads to questions about whether women

are exercising their full potential as entrepreneurs. One clue may be revealed in the indicator on capabilities. Despite high education levels among women entrepreneurs, and higher levels than men, women in Europe and the U.S. are much less likely to believe they have the capabilities for entrepreneurship compared to men in their economies and women in other regions. This may indicate either a mismatch between their education levels and confidence, or a lack of more relevant training for entrepreneurship.

5. **Short-term Endeavors.** In many regions, women often start businesses out of necessity. In places like Sub-Saharan Africa and MENA/Mid-Asia, women have large households and low education levels, perhaps leading to shorter term concerns and low entry-barrier businesses, yet fewer longer term prospects. Many women entrepreneurs may not be able to see beyond their current circumstances, compounded by constraints in their environments, to entertain any thoughts of something bigger. Yet necessity can (or should), at least in some cases, be the seed that leads to higher potential businesses.
6. **Staying Home Rather Than Venturing Abroad.** Low rates of international business activities among women are evident in both developing regions like Latin America and the Caribbean and Developing Asia, as well as developed economies like the United States. While the size of the internal market and competitive characteristics may explain these results for some regions, an overly local focus may represent missed opportunities for women.
7. **A Viable Career Choice.** In the United States and Europe (both Developing and Developed), women entrepreneurs are a particularly educated group: more so than women non-entrepreneurs, and even more than male entrepreneurs. Perhaps entrepreneurship provides a viable career option to advance the ideas of knowledgeable women. It may also be a step away from a sense of lack of recognition or rewards associated with being employed by someone else. At the same time, entrepreneurship rates are still low among European women, who may nonetheless accept work as employees.
8. **The Future in Youth.** Youth entrepreneurship is somewhat more popular among women in Developing Europe and Israel. Youth (and their societies) may benefit from venturing out at an age when they have fewer family-related financial obligations and, being at the start of their careers, when they have fewer opportunity costs associated with higher level positions and salaries as employees. Early entrepreneurial endeavors may benefit young women even as they seek other career pursuits later on—as entrepreneurial employees, repeat entrepreneurs or as investors, managers or value chain participants with other entrepreneurs, not to mention role models for other young women.
9. **Access to Finance.** Finance accounts for twice the proportion of business discontinuance among women compared to men in the U.S. and Israel—the two countries most visibly associated with sophisticated financial systems for entrepreneurship. Lack of finance is therefore not just a problem faced in less developed entrepreneurial ecosystems.
10. **Setting Targets.** The differences between women and men regarding growth projections runs between seven and nine percentage points across most of the world's regions, with women reporting lower aspirations for growing their businesses. Entrepreneurship impacts economic development through job creation. But if entrepreneurs don't aspire to create jobs, they won't. This finding raises questions about education (teaching about business growth) and policy (costs of adding and retaining employees). While most of these policies may be considered gender neutral at first blush, inside of each are issues to be addressed, such as entrepreneurship training programs for women that emphasize economic core types of business rather than growth, and policies that increase social welfare benefits for corporate women.

## Workforce Participation

Women's participation in the workforce is often punctuated by transitions. Often women's employment fluctuates between full-time work, part-time work, leave arrangements and inactivity. Part-time work is often accompanied by lower earnings per hour, fewer opportunities for training and/or promotion, less job security and limited access to unemployment insurance. In **Sweden**, women have high workforce participation levels, close to that of men. Yet they are much more likely than men to work part time.

Another characteristic relates to the difference in the type of work that typifies women's workforce participation. Women in **Mexico** traditionally work in consumer services and retail sectors. They often earn less than the minimum wage and many work without remuneration, often helping in small family businesses. **Israeli** society exhibits gender equality on many dimensions like mandatory military service for women, female representation in political and public organizations and free early childhood education that enables both spouses to work. At the same time, the education system does not encourage women to enter technical and scientific professions like it does for males, and women have fewer opportunities to obtain high salaried jobs.

# Introduction

Policy makers, educators, researchers and practitioners have increasingly acknowledged the role of entrepreneurs in the economic development and wellbeing of societies. This has stimulated interest in understanding who entrepreneurs are and what they do, and assessing the rate and nature of this activity across different economies, regions and economic development levels. The Global Entrepreneurship Monitor (GEM) research project contributes to this effort with a comprehensive analysis of entrepreneurship rates, profile and impact indicators, and measures of societal attitudes about entrepreneurship around the world. As such, GEM works toward the following objectives:

- to allow for comparisons with regard to the level and characteristics of entrepreneurial activity among different economies;
- to determine the extent to which entrepreneurial activity influences economic growth within individual economies;
- to identify factors which encourage and/or hinder entrepreneurial activity; and
- to guide the formulation of effective and targeted policies aimed at stimulating entrepreneurship.

The first GEM survey, comprising only 10 developed economies, was conducted in 1999. Now, 14 years later, GEM has measured entrepreneurship in 99 economies, and has gained widespread recognition as the most authoritative longitudinal study of entrepreneurship in the world. In 2012, more than 198,000 people in 69 economies participated in the study, collectively representing all regions of the world and a broad range of economic development levels.<sup>2</sup> Based on this survey, the GEM study covered an estimated 74% of the world's population and 87% of the world's total GDP.

The GEM project views entrepreneurship as a process comprising different phases, from intending to start, to just starting, to running new or established enterprises and even discontinuing a business. This enables the examination of differences in the various phases of business among men and women, and among women from different economies. A key measure of GEM is the Total Entrepreneurial Activity Rate or TEA, which includes those in the process of starting a business (nascent entrepreneurs), and those running a new business beyond the nascent stage (three months) but before the established business phase (three and a half years).

GEM recognizes, however, that the contribution of entrepreneurship to a society is much more than numbers of entrepreneurs. This report emphasizes that a society needs people at various stages in the entrepreneurship cycle. Those ready to engage in this activity are positioned to take the next step into launching a business. Those who have sustained their businesses beyond the startup stages have become established business owners. And finally, people exiting entrepreneurship may re-enter the cycle, perhaps as repeat entrepreneurs or indirectly engaged with other entrepreneurs in various roles.

GEM also acknowledges that entrepreneurs have varying impacts on their societies. Entrepreneurs contribute to the growth and dynamism of diverse industry sectors. They introduce different types of products and services, some more innovative than others, and they engage in various levels of global trade. They create jobs for others to the extent they engage with partners, hire employees, and express particular ambitions for future expansion of their businesses. These and other characteristics of entrepreneurs and their businesses differ markedly across economies, with some similarities exhibited within geographic regions and at comparable stages of economic development.

The purpose of the GEM Women's report is to examine, more specifically, the frequency and nature of women's participation in entrepreneurship around the world. This study makes comparisons among women across different geographic regions and development levels, identifying distinctive results in particular individual economies. It also compares results between genders within regions and individual economies.

## PARTICIPATING ECONOMIES BY GEOGRAPHIC REGION AND ECONOMIC DEVELOPMENT LEVEL

GEM classifies the economies that participate in the study as factor-driven, efficiency-driven or innovation-driven. These categories are based on the World Economic Forum's (WEF) Global Competitiveness Report, which identifies three phases of economic development based on GDP per capita and the share of exports comprising primary goods.<sup>3</sup>

According to the WEF classification, the factor-driven phase is dominated by subsistence agriculture and extraction businesses, with a heavy reliance on (unskilled) labor and natural resources. In the efficiency-driven phase, an economy has become more competitive with further development accompanied by industrialization and an increased reliance

<sup>2</sup>Each participating economy conducts a survey of a random representative sample of at least 2,000 adults (aged 18 – 64 years). The surveys are conducted at the same time of year (generally between April and June), using a standardized questionnaire developed by the GEM consortium. This Adult Population Survey (APS) is generally conducted by an independent research vendor, chosen by each economy's GEM team based on the evaluation of the vendor's research proposal. The raw data is sent directly to the GEM data team for inspection and uniform statistical calculations before being made available to the participating economies.

<sup>3</sup> [www.weforum.org/issues/global-competitiveness](http://www.weforum.org/issues/global-competitiveness)

on economies of scale, with capital-intensive large organizations more dominant. As development advances into the innovation-driven phase, businesses are more knowledge-intensive, and the service sector expands.

This report draws on these economic development levels, as well as geographic location to assemble the economies into regional/development level groups, as seen in Figure 1. Throughout this report, comparisons will be made among these groups. In addition, we will highlight individual economies with distinctive findings on the various indicators.

Sub-Saharan Africa and the MENA/Mid-Asia regions have primarily factor-driven economies with one or a few economies in the efficiency-driven stage. All the economies in the Latin America/Caribbean region are efficiency-driven. Asia and Europe have sufficient numbers of both efficiency-and innovation-driven economies, so these regions are divided into Developing (efficiency) and Developed (innovation). The United States and Israel are treated separately because they don't quite exist in regions with other economies at the same development level.

Sub-Saharan Africa		Asia Pacific: Developed	
Angola	Factor	Japan	Innovation
Botswana	Factor	Korea, Republic of	Innovation
Ethiopia	Factor	Singapore	Innovation
Ghana	Factor	Taiwan	Innovation
Malawi	Factor	<b>Europe: Developing</b>	
Namibia	Efficiency	Bosnia and Herzegovina	Efficiency
Nigeria	Factor	Croatia	Efficiency
South Africa	Efficiency	Estonia	Efficiency
Uganda	Factor	Hungary	Efficiency
Zambia	Factor	Latvia	Efficiency
<b>Middle East/North Africa/Mid-Asia</b>		Lithuania	Efficiency
Algeria	Factor	Macedonia	Efficiency
Egypt	Factor	Poland	Efficiency
Iran	Factor	Romania	Efficiency
Pakistan	Factor	Russia	Efficiency
Palestine	Factor	Turkey	Efficiency
Tunisia	Efficiency	<b>Europe: Developed</b>	
<b>Latin America/Caribbean</b>		Austria	Innovation
Argentina	Efficiency	Belgium	Innovation
Barbados	Efficiency	Denmark	Innovation
Brazil	Efficiency	Finland	Innovation
Chile	Efficiency	France	Innovation
Colombia	Efficiency	Germany	Innovation
Costa Rica	Efficiency	Greece	Innovation
Ecuador	Efficiency	Ireland	Innovation
El Salvador	Efficiency	Italy	Innovation
Mexico	Efficiency	Netherlands	Innovation
Panama	Efficiency	Norway	Innovation
Peru	Efficiency	Portugal	Innovation
Trinidad & Tobago	Efficiency	Slovakia	Innovation
Uruguay	Efficiency	Slovenia	Innovation
<b>Asia Pacific: Developing</b>		Spain	Innovation
China	Efficiency	Sweden	Innovation
Malaysia	Efficiency	Switzerland	Innovation
Thailand	Efficiency	United Kingdom	Innovation
		<b>United States: Innovation</b>	
		<b>Israel: Innovation</b>	

**FIGURE 1**  
Regional/Development  
Level Groups

## INTRODUCTION

### STRUCTURE OF THE REPORT

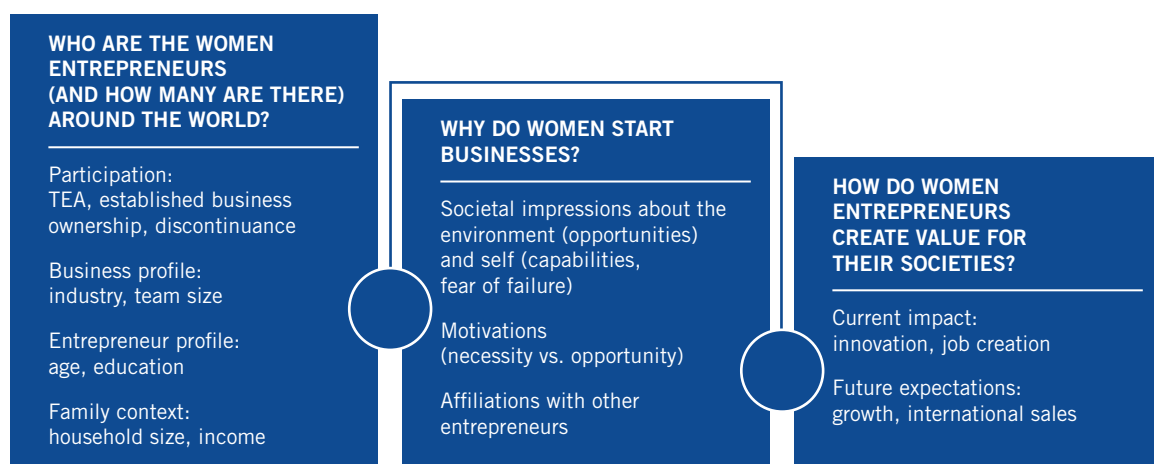
The report's structure is oriented around three key questions, as illustrated in Figure 2. Chapter 1 addresses the question: "Who are the women entrepreneurs (and how many are there) around the world?" The chapter starts with a global comparison of female entrepreneurship rates across regions and economies, and includes contrasts with male rates. A longitudinal analysis of eight-year patterns in women's entrepreneurship is featured for select economies that have participated consistently in the GEM survey since 2005. This chapter also compares the rates of entrepreneurs with established business rates and business discontinuance, adding an analysis of the reasons for discontinuing.

Chapter 1 then presents a profile of the women and the businesses they run. It reports on industry sector and size of the team, discusses the age and education levels of the women entrepreneurs, and covers family context, which comprises household size and income indicators.

Chapter 2 addresses the following question, "Why do women start businesses?", focusing particularly on the underlying motives and perceptions of women entrepreneurs and their societies. The chapter makes comparisons among women across economies and regions, and between genders, on external perceptions of the presence of opportunities in one's environment, as well as self-perceptions about capabilities and fear of failure. We explore why women start their businesses, whether out of necessity or opportunity motivation, then examine the affiliations women have with other entrepreneurs.

Chapter 3 examines the question, "How do women entrepreneurs create value for their societies?" This chapter looks at the current impact and future expectations women entrepreneurs have with regard to their businesses. Impact indicators include the level of innovativeness entrepreneurs identify in their products and services, and the number of people employed in both new and established businesses. Expectations include growth ambitions and the level of internationalization the entrepreneurs foresee.

**FIGURE 2**  
Dimensions of Women's  
Entrepreneurship



Highlighted throughout the report are contributions from GEM members offering a focused and knowledgeable lens into the characteristics of women's entrepreneurship in their societies, and the conditions women encounter with their entrepreneurial efforts. Mentioned also are the extent women's entrepreneurship is recognized and being addressed in their economies, including any policies or initiatives targeting this endeavor.

We close the report with a set of key conclusions and implications. These are aimed at promoting better understanding about the nature of women's entrepreneurship around the world and therefore stimulating thinking and dialogue about how this activity can be promoted. As a final contribution, the appendix includes four tables with key indicators for each of the individual economies, as well as regional averages, which can enable more detailed comparisons and analyses.

## Policy Representation

Women's representation in public policy can provide role models for women and a voice for the female perspective. In many economies, however, women are underrepresented in government: among these are **Mexico, Slovakia, Slovenia, and Thailand**. South Africa tells a different story, however. Prior to 1994, women, particularly black women, in **South Africa** were considered second class citizens; their role was to support men in their ventures. The new African National Congress government changed this inbred philosophy by legislating that a certain percentage of government positions (even at the Cabinet level) were to be held by women. This in turn changed the mind-set of business, and now more and more women of all races are entering the labor market and holding top positions. Similarly, in 2011, **Poland** mandated by law that at least 35% of women be on the election list for the Polish Parliament, European Parliament or regional authorities.

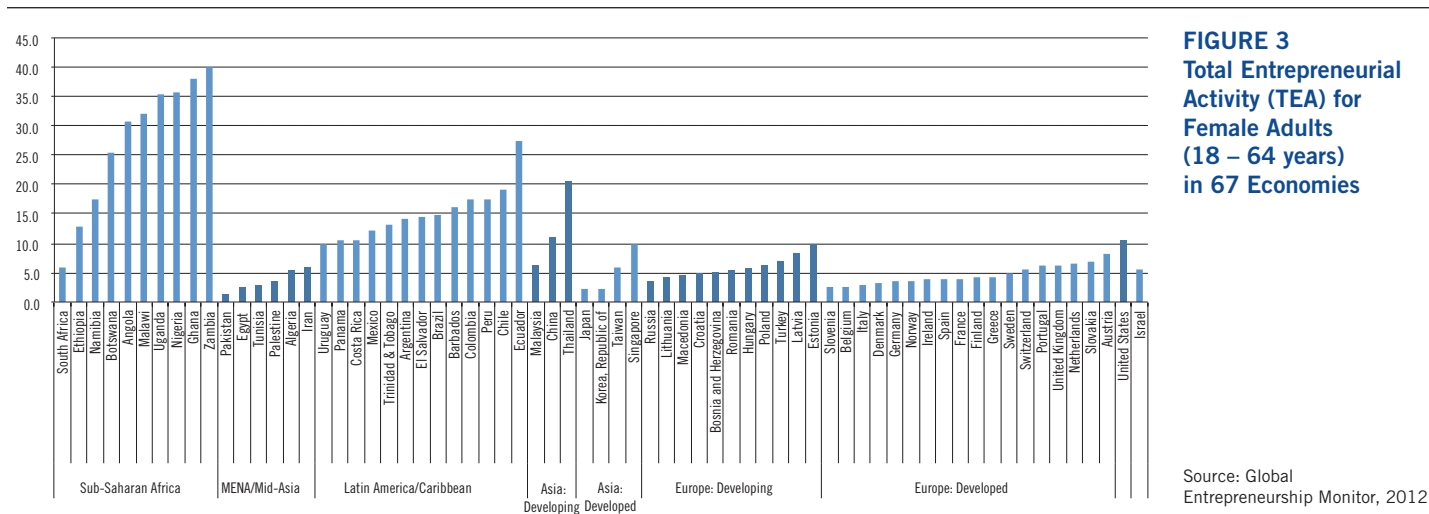
# Chapter 1

## Rates and Profile of Women Entrepreneurs

Women's participation in entrepreneurship varies markedly around the world. In Pakistan, only 1% of women are entrepreneurs, while 40% of women in Zambia are engaged in this activity. As Figure 3 shows, the highest regional female TEA levels can be seen in Sub-Saharan Africa; South Africa is perhaps an exception with a female TEA rate below 6%. Latin America/Caribbean economies show comparatively high levels as well; Ecuador is notably high with over one-fourth the female population engaged in entrepreneurship.

Lower female TEA levels are evident at either end of the economic development scale. Overall participation in entrepreneurship (males and females together) is typically higher in factor-driven economies, most likely due to such factors as an undersupply of jobs and the ability or tendency toward operating in the informal sector. The MENA/Mid-Asia region, however, reports the lowest TEA levels among women despite being less developed economically. Developed Europe also shows low female TEA rates; however, this is less surprising because there are more job options in innovation-driven economies, and such aspects as employee benefits, social programs, and wealthier households create fewer necessity motives.

Asia, both Developing and Developed, exhibits the highest diversity in entrepreneurship participation rates among women. While only 2% of adult women engage in this activity in Japan and Korea, we see high participation rates in Thailand (efficiency-driven) and Singapore (innovation-driven) relative to their development levels.



**FIGURE 3**  
Total Entrepreneurial Activity (TEA) for Female Adults (18 – 64 years) in 67 Economies

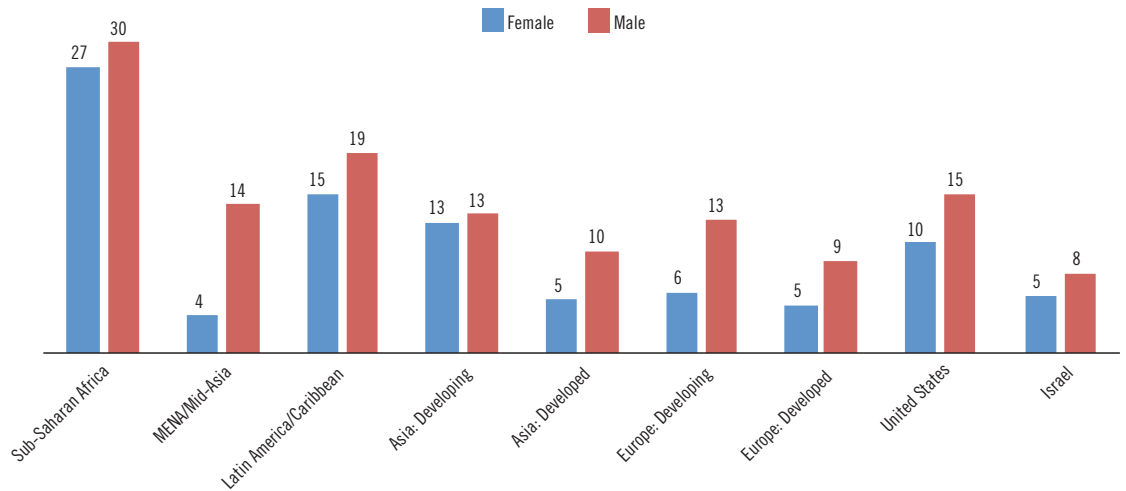
Source: Global Entrepreneurship Monitor, 2012

In general, female TEA rates in economies and regions track similarly to that of males, albeit at lower levels. The MENA/Mid-Asia group shows the greatest disparity, where male TEA rates are four times that of females. On average, Sub-Saharan Africa and Developing Asia exhibit the greatest gender parity (see Figure 4).

Out of the 67 economies featured in this report, only seven reported equal or slightly higher TEA levels among women compared to men. In Panama and Thailand, there are 12 women for every 10 men participating in entrepreneurship. Rates are about equal between the genders in Ghana, Ecuador, Nigeria, Mexico and Uganda.

# CHAPTER 1

**FIGURE 4**  
Comparison of Female and Male TEA Rates by Region

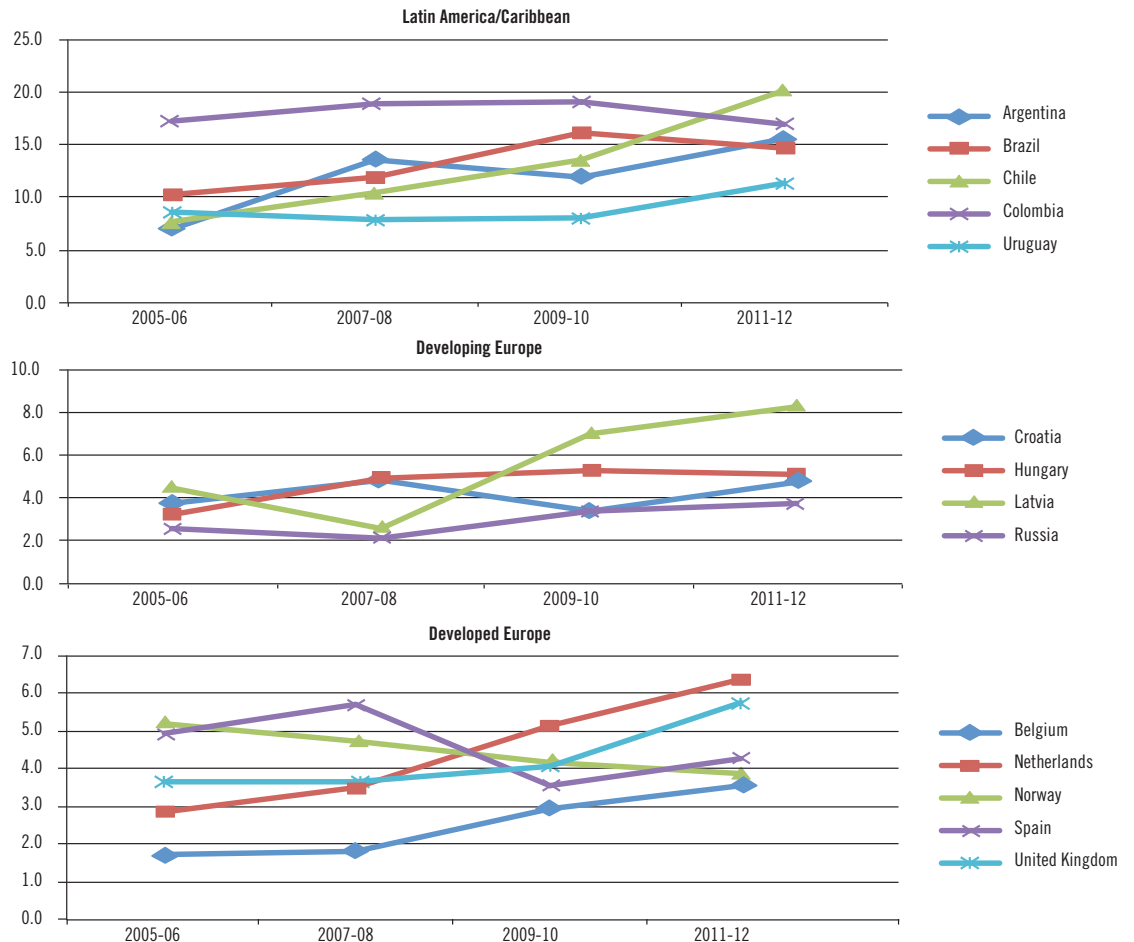


Source: Global Entrepreneurship Monitor, 2012

Figure 5 shows a longitudinal comparison of a select group of economies that have participated in GEM every year since 2005, organized into three regions. Female TEA rates are represented in four two-year time intervals. As the first chart shows, Colombia maintained a high level of entrepreneurial activity, while the other four economies started out with lower levels and then exhibited increases over time. Chile demonstrated the largest jump from nearly the lowest to the highest TEA rates among women: from the 2005-06 period it was approaching a tripling by 2011-12.

In Developing Europe, Latvia's female TEA rate nearly doubled during the period examined, while the other three economies crept slightly upward. In Developed Europe, women's entrepreneurship in the Netherlands moved from a relatively low to high level, while Norway showed a slight downward trend, and Spain exhibited a fluctuating pattern.

**FIGURE 5**  
Longitudinal Comparison of Female TEA Rates in Select Economies in Three Regions



Source: Global Entrepreneurship Monitor, 2012



Zhang Xin  
SOHO China, China



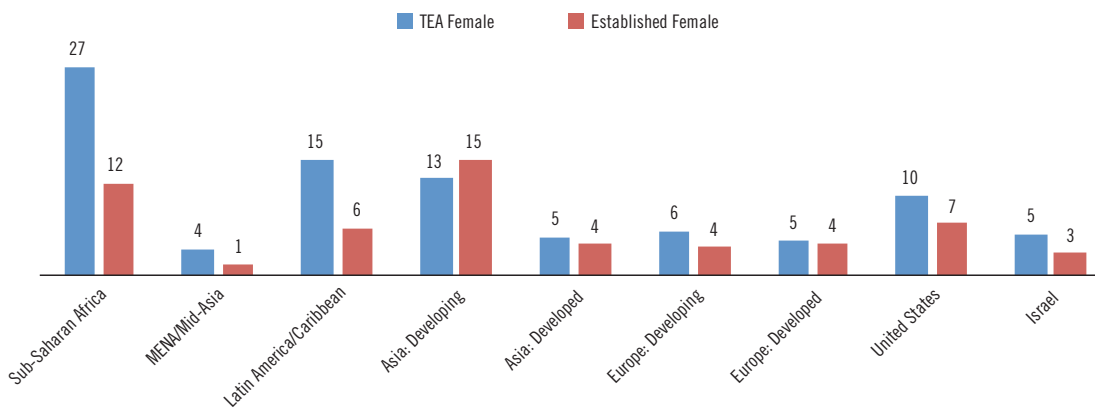
## ESTABLISHED BUSINESS ACTIVITY

Established business owners represent those running businesses older than three and a half years. TEA rates show the extent people have taken action to launch into business activity. Established business ownership, on the other hand, shows the proportion of people in a society that are running businesses that have become mature. This indicator can therefore reveal the sustainability of entrepreneurship, whether due to the entrepreneurs' abilities and willingness, the support of their team and other stakeholders, enablers in their environment and so forth.

Five economies from Sub-Saharan Africa (Angola, Ethiopia, Nigeria, Zambia and South Africa) and three others from different regions (Russia, Costa Rica and Thailand) show equal percentages of women and men running established businesses. In every other economy, there are fewer women than men at this business stage. It is as low as less than two women for every 10 men in Iran, Turkey, Palestine and Egypt.

In general, more people, both men and women, are starting new businesses than running mature ones, as Figure 6 shows. This is probably less surprising when one considers the fact that entrepreneurship is a dynamic phenomenon with different people entering and exiting businesses at any one time. A society may contain lots of people exercising their entrepreneurial ambitions, perhaps out of necessity or to pursue an opportunity. Yet to keep these ventures operating beyond the startup phase is not, in many cases, easy. The context for women entrepreneurs may weigh heavily on this process; for example, workforce participation rates can fluctuate more markedly for women, particularly during years when they may be caring for children (or perhaps parents).

In Sub-Saharan Africa and Latin America/Caribbean, female TEA rates are high; however, there are less than half as many established business owners on average in each region. This can be explained by the greater necessity motives that cause



**FIGURE 6**  
TEA Rates Versus  
Established Business  
Ownership for Females  
by Region

Source: Global  
Entrepreneurship Monitor, 2012

## CHAPTER 1

more to start, but harsh environmental conditions that make these efforts difficult to sustain. In Zambia, with its high TEA rate, there were over 10 times as many entrepreneurs as established business owners. Singapore, Namibia and Panama also exhibited high female TEA rates, but negligible participation in established businesses.

Such findings are perhaps more disconcerting, though where women show both lower TEA and established business ownership rates compared to men. For the MENA/Mid-Asia region, women's TEA rates are already low, and low relative to men. Compounding this low participation in entrepreneurship, though, is the fact that established business ownership is 60% lower than the level of TEA for women. This may provoke concerns about the impetus or ability for women to both get started and sustain. In nearly every region, there is a larger gap between entrepreneurs and established business owners for women than there is for men.

Only in the Developing Asia region are there more established business owners than entrepreneurs among women. This is entirely due to a high level of established business ownership in Thailand—there are over 40% more women running established businesses than starting and running new ones. This is notable because Thailand already has a high level of women entrepreneurs, with even slightly greater amounts than men. Given its development level, entrepreneurship may be seen as not just a necessity or opportunity to enter, but also providing an enduring lifestyle for women.

In Developed Asia we also see more established women business owners than entrepreneurs in Japan—twice as many, in fact. In Japan's case, though, established business ownership somewhat makes up for a low TEA rate.

### BUSINESS DISCONTINUANCE

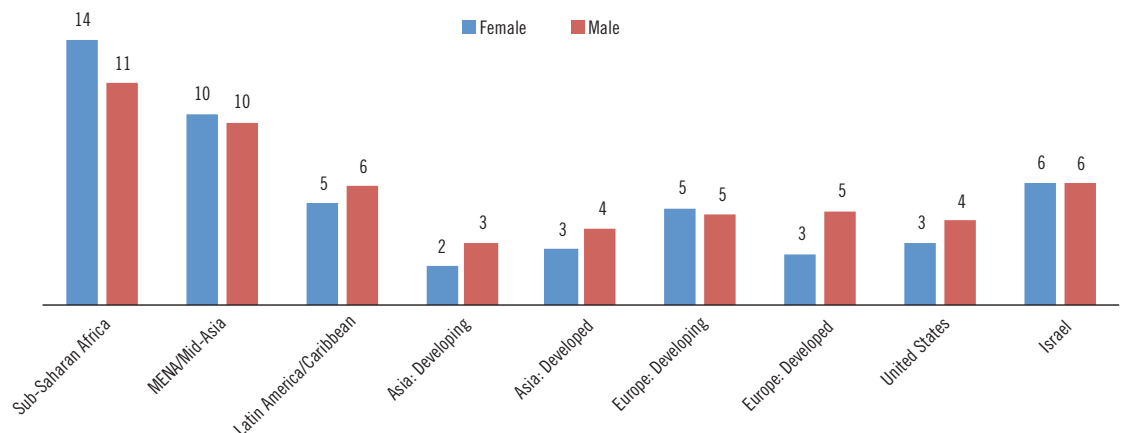
Business discontinuance can happen for a variety of reasons. People may stop running businesses that were unprofitable or because they could not—or could no longer—finance them. On the other hand, they may sell, retire or simply choose to go on to something else. For this reason, discontinuance does not necessarily equate to failure in our analysis; consequently, it's important to examine, not just rates, but also the reasons for stopping.

In addition, a lot of business stops may not be a bad circumstance if this means a lot of people are making attempts to start. It is, of course, important for entrepreneurs to be successful in launching and sustaining their businesses. But this activity is inherently risky, so some exits must be tolerated. It is thus important to foster enough starts and generate as high a level of success as possible, while accepting that this activity will also lead to failure for reasons that often cannot be predicted or controlled at the outset.

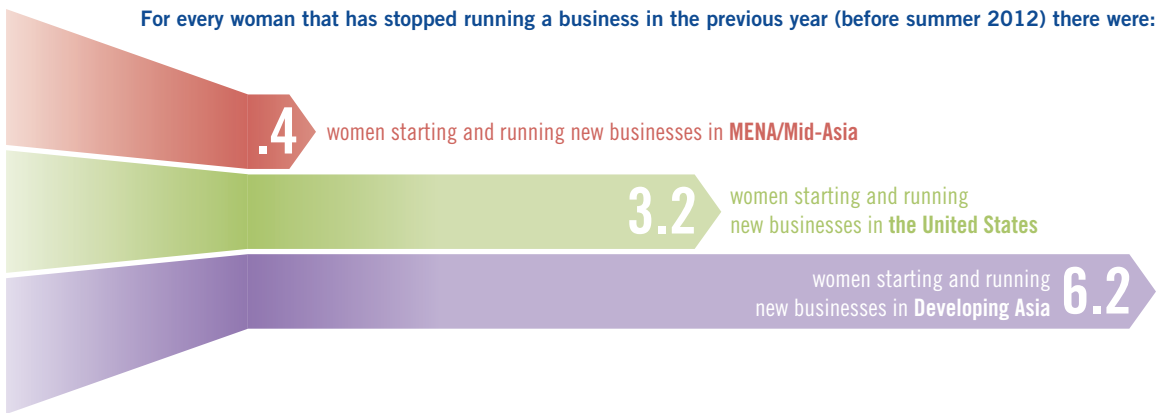
As Figure 7 shows, Sub-Saharan Africa registers a lot of business stops among women, and at a higher level than for men. This region, however, has a high TEA rate; there were twice as many women starting or running new businesses for every woman stopping one. In contrast, while the MENA/Mid-Asia region also has a high number of stops, there were fewer starts; the TEA rate for women was only one-third that of the discontinuance rate. Both of these regions contain primarily factor-driven economies. They both face difficult ecosystems for starting and running businesses. This does not stop women from Sub-Saharan Africa from starting, though although much of this is due to necessity.

In the U.S. and Developing Asia, there are relatively few women stopping, and this is accompanied by high TEA rates. In the U.S. there are three times the number of women involved in TEA than stopping in the prior year. TEA rates had rebounded in the U.S. in 2011 and 2012, which may at least partially account for this higher ratio; in addition, this ratio is the same for men. The ratio of starts to stops is even higher—six to one—in Developing Asia.

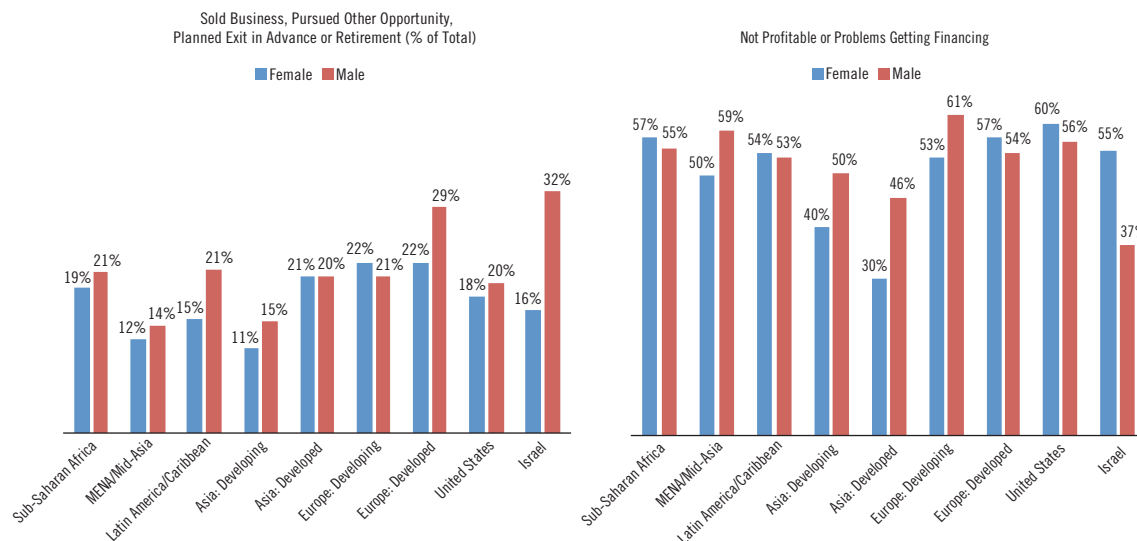
**FIGURE 7**  
Discontinuance Rates for  
Females and Males by  
Region



Source: Global  
Entrepreneurship Monitor, 2012



Relative to the reasons for discontinuing, women in Developed Europe are slightly more likely to have a higher proportion of exits due to lack of profitability than men, with nearly half the women discontinuing for this reason, as Figure 8 shows. For women exiting businesses in the U.S. and Israel, nearly one-third and one-fourth, respectively, cite problems with finance, a much higher proportion than men.



**FIGURE 8**  
Reasons for Discontinuing Businesses for Females and Males, in Percentage of Total Discontinuing, by Region

Source: Global Entrepreneurship Monitor, 2012

## BUSINESS PROFILE: INDUSTRY AND TEAM

### Industry

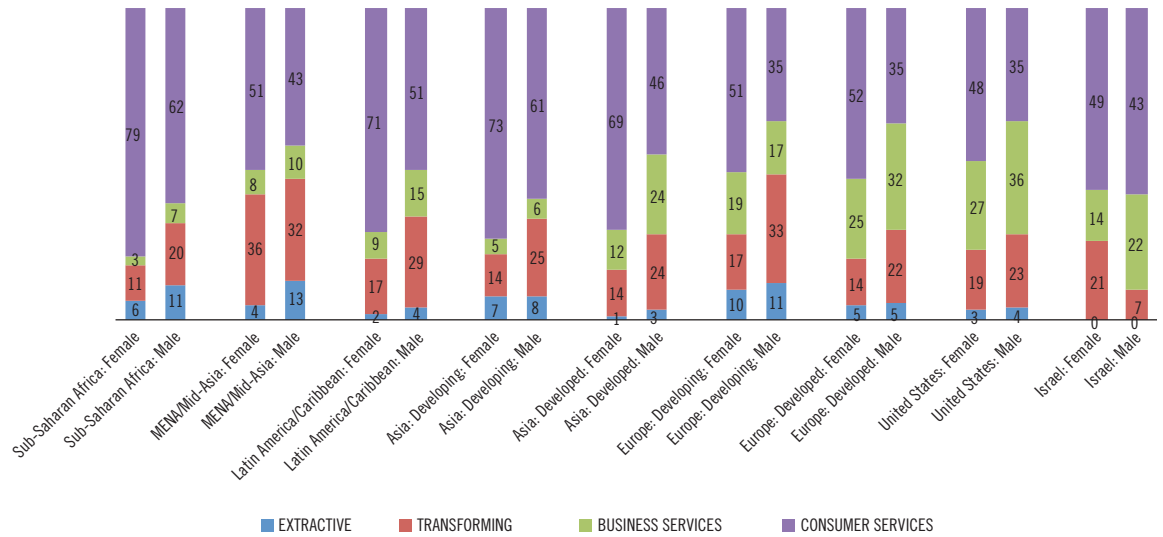
On average in every region, at least half the women entrepreneurs operate in the consumer sector—accounting for as much as four-fifths of the women entrepreneurs in Sub-Saharan Africa, reaching close to 90% in Angola, Uganda and Ethiopia. Businesses in this sector sell to consumers directly: for example, retail businesses and customer services. Although consumer businesses can represent high potential, this is generally less often the case compared with the typically capital-intensive transforming sector or knowledge-dependent business services.

Male entrepreneurs are more likely to show more emphasis on the other sectors. Women were 50% more likely than men to have consumer businesses in Developed Asia and in both Developing and Developed Europe. For the most part, men were more likely to compete in the transforming sector in every region, with some also emphasizing the extractive sector (Sub-Saharan Africa and MENA/Mid-Asia), and others also emphasizing business services (Developed Asia and Europe, U.S. and Israel).

While an emphasis on the consumer sector tends to characterize many factor-driven economies, the developed world sees more business services activity, as Figure 9 displays. No women entrepreneurs were found in the business service sector in Pakistan, Malawi and Ghana. In contrast, over 35% of the women entrepreneurs in France, Sweden, Poland and Slovenia competed in this sector.

**FIGURE 9**  
TEA by Industry Sector  
for Females and Males  
by Region

Source: Global  
Entrepreneurship Monitor, 2012



**Team**

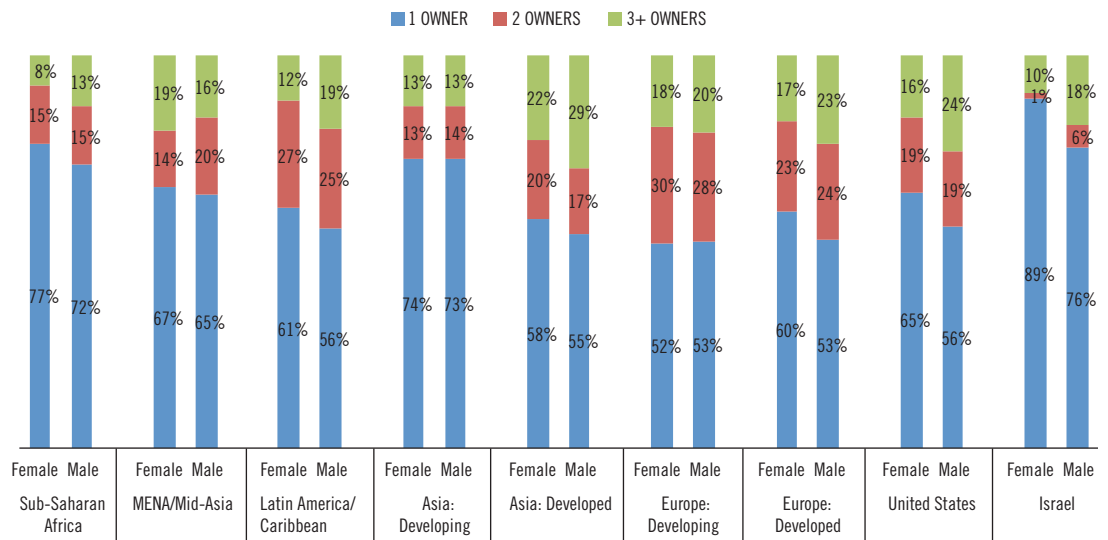
Most businesses start out with one owner. As Figure 10 shows, the percentage of women entrepreneurs that are sole owners ranges from just over half in Developing Europe to nearly nine-tenths in Israel. There are still many one-person businesses at the established phase; again, Developing Europe shows the lowest level (61%) while Israel shows the highest (86%).

In Developing Asia and Developing Europe, women exhibit quite similar characteristics as men in terms of the percentage of entrepreneurs having one, two, or three or more owners. Developing Asia has many single-owner entrepreneurs, nearly three-fourths, while Developing Europe has just over half with this ownership characteristic.

An interesting pattern, however, can be seen in many of the remaining economies. Women were generally more likely to be running single founder businesses, indicating a tendency to operate on their own. They were less likely to work in teams than men, with few stating they had businesses with three or more founders. Teams of three or more were especially rare among women entrepreneurs in Sub-Saharan Africa (8%), but more prevalent in Developed Asia (22%); in both cases, however, men were more likely to have started with teams of three or more. In a few of these economies, though, co-founders were fairly popular among women. In Latin America/Caribbean and Developing Europe, 27% and 30%, respectively, indicate two founders.

**FIGURE 10**  
TEA Broken Down by  
Number of Owners for  
Females and Males  
by Region

Source: Global  
Entrepreneurship Monitor, 2012



## DEMOGRAPHICS OF ENTREPRENEURS: AGE AND EDUCATION

In many of the regions, female youth (18-34 years) participate in entrepreneurship at the same or similar rate as the older population (35-64 years). This includes Sub-Saharan Africa, Latin America/Caribbean, Developed Asia and Europe, and the United States: regions extending across all levels of economic development. In most regions of the world, entrepreneurship is therefore as popular among young women as it is for their older counterparts.

In both Developing Europe and Israel, however, female youth rates are, on average, 63% higher than their older peers. In three Developing European economies, youth report over twice the TEA levels of older women entrepreneurs. Men also report higher youth participation in Developing Europe (52% higher) but nearly equal participation between the age groups in Israel.

An interesting contrast can be seen in the Republic of Korea and Pakistan. In Korea, TEA rates are almost negligible among female youth, while in Pakistan, older females barely participate in this activity. The lack of youth entrepreneurs in Korea is less drastic among men, where 7% of youth participate, albeit lower than the rate for older male entrepreneurs (13%). Among male entrepreneurs in Pakistan, the two age groups report nearly identical TEA rates. The lack of youth entrepreneurs in Republic of Korea and nonparticipation by older entrepreneurs in Pakistan therefore appear to be a phenomenon ascribed to women.

The lowest levels of education can be seen in Sub-Saharan Africa, where an average of 42% of women entrepreneurs have at least a secondary (high school) degree and, as Figure 11 shows, 15% have a post-secondary degree (college) or higher. Women entrepreneurs in this region are slightly more likely to be secondary or post-secondary graduates than female non-entrepreneurs/non-business owners. However, the level of education for women entrepreneurs is lower than that of their male counterparts. In Ghana and Malawi, only 2% of women entrepreneurs received a post-secondary degree.

The highest levels of post-secondary graduate entrepreneurs can be seen in the U.S., where 70% of women entrepreneurs achieved this level of education. This is higher than non-entrepreneurs/business owners, and relatively similar to men, as Figures 11 and 12 exhibit.



**Bridgette Radebe**  
Mmakau Mining, South Africa

## CHAPTER 1

In Developed Asia, women entrepreneurs are slightly less likely than female non-entrepreneurs/business owners to have post-secondary degrees. In addition, compared to male entrepreneurs, they are over one-fourth less likely to have this level of education. This gap is highest in Korea, where female entrepreneurs are little more than half as likely to have a post-secondary degree than female non-entrepreneurs/business owners, but less than half as likely to have this level of education as male entrepreneurs.

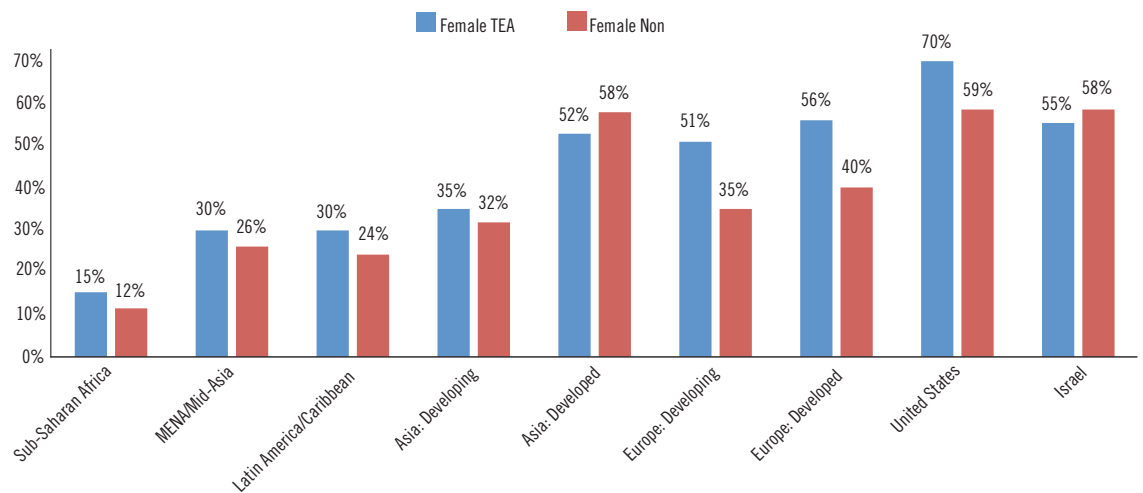
Secondary education levels are typically high in Developed Asia, with well over 90% of the population earning a secondary degree. There is a gender gap at the higher education levels, however, and this gap is magnified for entrepreneurs. The results thus suggest that there are fewer college-educated women compared with men generally in this region, but those with this level of education are less likely to be entrepreneurs.

A different story evolves, however, at the higher education levels in Europe (both Developing and Developed). About the same proportion of non-entrepreneurs/non-business owners of either gender have a secondary degree, and slightly more women than men in this group have a post-secondary degree. But female entrepreneurs in Developing Europe are over 45% more likely to have a college degree than female non-entrepreneurs/non-business owners. Furthermore, they are one-fourth more likely than male entrepreneurs to have achieved this level of education. Developed Europe also shows similar results, albeit on a slightly lesser scale. In these regions, women entrepreneurs are therefore highly educated compared with both female non-entrepreneur/non-business owners and male entrepreneurs.

The highest education levels among female entrepreneurs in the sample are in Russia, Denmark and Lithuania, where over four-fifths have a post-secondary degree. In Finland, slightly fewer women entrepreneurs have achieved this education level—about 55%—but this is over two-thirds higher than for male entrepreneurs, exhibiting a large gender gap.

**FIGURE 11**  
Percentage of Female TEA and Female Non-TEA/Non-Established Business Owners with at Least Post-Secondary Degree by Region

Source: Global Entrepreneurship Monitor, 2012



**FIGURE 12**  
Percentage of Female and Male TEA with at Least Post-Secondary Degree by Region

Source: Global Entrepreneurship Monitor, 2012



## Finance

While financing is nearly always a challenge anywhere, some gender-specific funding issues are evident in many economies. In Bosnia and Herzegovina, women are constrained in obtaining funding by a lack of personal capital, property ownership and other collateral that can be used for loans. This is also the case in Iran, and women that are able to receive loans are subject to high interest rates and short repayment periods; they may involve their husbands or male family members to increase their security and financial support. In Mexico, financial institutions do not typically give credit to women on their own; they require husbands or fathers to cosign loan applications.

Recognizing the challenges women face in obtaining financing for their businesses, a number of funds specifically targeting women entrepreneurs have emerged around the world. In the United States, these include a variety of angel funds focused on women-led businesses. In Chile, grant funding for new business initiatives led by women is provided by a government agency, the Technical Cooperation Service (Sercotec), through Honeybee Seed Capital (Capital Semilla Abeja). In addition, a private initiative, MCapital, the first Network of Women Investors in Chile, makes investments primarily in women-led businesses. This initiative is supported by Innova Chile of CORFO (the main government agency for entrepreneurship and innovation).

Enterprise Ireland's 'Business Start-Up' drive combined a major public relations and communications campaign with the launch of two new gender specific funds which provide financial support for women entrepreneurs, whose venture qualify for funding, compete. The successful candidates also have made available to them a range of other supports including development advisors, mentors and access to global networks that support export activities.

In 2012, the Ministry of Economic and Social Inclusion (MIES) in Ecuador provided 1.2 million women from rural and urban areas \$30 million dollars in loans through the 'Credits for Human Development (CDH)'. These credits tended to encourage the emergence of small or micro businesses. A few funds have also been started by the South African government to benefit women starting businesses in rural areas; these also tended to support those with subsistence businesses. In Iran, there are micro-credit funds; however, many women are not aware of them. Another challenge with funds and financing programs for female entrepreneurs can be seen in Bosnia and Herzegovina, where these frequently lead to businesses with women formally listed as owners—but in name only.

## FAMILY CONTEXT: HOUSEHOLD SIZE AND INCOME

Average household size for female entrepreneurs ranged from three people in Europe and the U.S. to five people in Sub-Saharan Africa and MENA/Mid-Asia. This was similar to what female non-entrepreneurs/non-business owners reported. Male entrepreneurs also had similar household size averages as women entrepreneurs at the regional level.

In the individual economies, Finland, Austria, Denmark and Germany showed the smallest household sizes for both female entrepreneurs and non-entrepreneurs/business owners: less than three people per household on average. In Pakistan, Angola and Palestine, on the other hand, households for both groups averaged over six individuals.

One might expect that women entrepreneurs would come from larger households because running their own businesses may afford these women with more flexibility: allowing them to earn an income while they care for dependents. Larger households, with more family members to support, may also contribute to necessity motivations. On the other hand, fewer household members may provide more time and fewer obligations that would enable them to engage in this activity. The sample shows evidence of both arguments, where the household size of women entrepreneurs is one-fourth larger than non-entrepreneurs/non-business owners in Belgium but nearly 20% smaller in Pakistan.

Figure 13 shows the distribution of entrepreneurs across three levels of household income by region. These levels are determined in each economy based on the income distribution of the overall sample. Households with higher incomes may have resources to fund entrepreneurial endeavors or to provide a financial cushion on which they can fall back. On the other hand, low income households may indicate a propensity for necessity entrepreneurship.

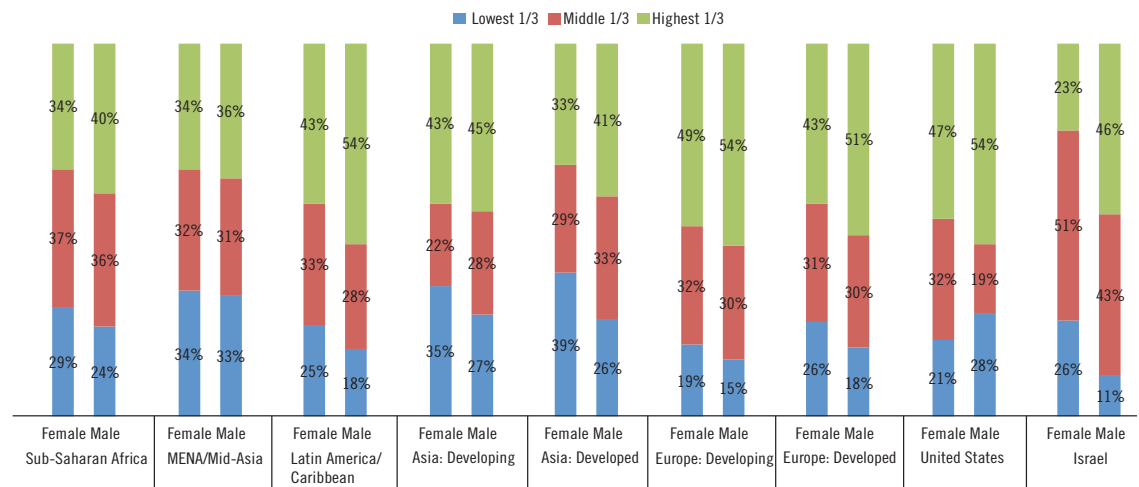
Women entrepreneurs in Sub-Saharan Africa, MENA/Mid-Asia and Developed Asia are more evenly distributed among the three levels of household income. In Latin America/Caribbean, Developing Asia, Europe (Developing and Developed) and the U.S., 43% or more of the women entrepreneurs come from households in the highest income category. In Israel, however, women are over half as likely to be in the middle income category.

A mix of regions and development levels can be seen at both end of the income spectrum. In Palestine, Taiwan and Uganda, little more than one-fifth of the female entrepreneurs report household incomes in the top one-third for their economies. In contrast, over 55% of the women entrepreneurs in Turkey, Portugal and Malawi fall into this range.

Male entrepreneurs tend to more often come from high income households. Over half the male entrepreneurs in Latin America/Caribbean, Europe and the U.S. are from households with the highest one-third income. Israel has twice the proportion of male entrepreneurs in the top income category compared with females.

**FIGURE 13**  
Distribution of Female and Male Entrepreneurs over Household Income Levels by Region

Source: Global Entrepreneurship Monitor, 2012





# Chapter 2

## Attitudes and Context Factors Associated with Entrepreneurship

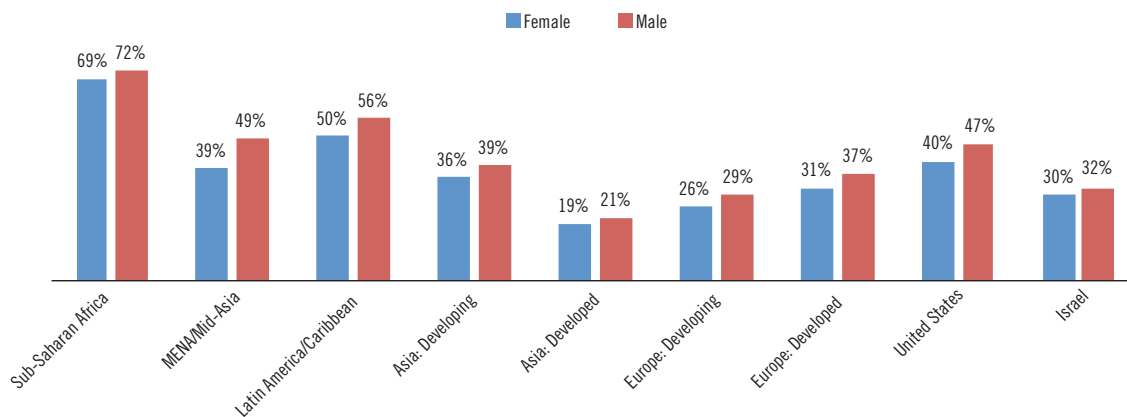
### SOCIETAL PERCEPTIONS OF OPPORTUNITIES IN THE ENVIRONMENT

In order to explain relative differences in the rate and nature of entrepreneurship between men and women, and among women in different economies, we can look at people's perceptions about the external environment and their own internal self-assessments. Perceptions about the environment are admittedly influenced by one's personal beliefs. People view their surroundings with different lenses. Regardless, at a broader level, these perceptions can provide an overall impression of how a society currently sees the environment for entrepreneurship. In particular, where many people perceive there are lots of opportunities for entrepreneurship, there are generally higher rates of venture creation. This first measure therefore indicates the percentage of adults in an economy that believe there are lots of opportunities for starting businesses in their areas.

Sub-Saharan Africa and Latin America/Caribbean show the highest perceptions of opportunities on average. Over three-fourths of the people in Uganda, Ghana, Zambia, Nigeria and Namibia believe there are lots of entrepreneurial opportunities around them. Conversely, the lowest average perceptions of opportunities are in Developed Asia and Developing Europe. In the individual economies, Japan, Korea and Greece show the lowest perceptions on this indicator, with about one-tenth or less of the adults in these societies seeing good business opportunities.

In comparing these perceptions by gender, we see that women have lower opportunity perceptions in all regions, with the greatest difference visible in the MENA/Mid-Asia region (see Figure 14). When we look at individual economies, women in Malawi, Zambia, Finland, Latvia and Poland show slightly more positive perceptions of opportunities than their male counterparts. In ten other economies, the perceptions were nearly equal for men and women, within a few percentage points.

There are a number of economies that showed large disparities between the genders, where men's perceptions of opportunities were much higher than women's. In Korea, women were only half as likely as men to perceive opportunities. Likewise, in Pakistan and Tunisia, women were at least 40% less likely to have these perceptions compared to men.



**FIGURE 14**  
Opportunity Perceptions for the Female and Male Adult Population by Region

Source: Global Entrepreneurship Monitor, 2012

### SELF-ASSESSMENT ABOUT CAPABILITIES AND FEAR OF FAILURE

While opportunity perceptions indicate how people feel about the environment around them, indicators relating to confidence in capabilities and fear of failure are more indicative of peoples' self-perceptions relative to this activity. The first measure assesses whether people believe they have the capabilities for starting a business. This can reflect not only their prior experience or training, but also confidence in their abilities. People that believe they have the ability to carry out the tasks required to start a business are more likely to actually engage in this process.

The region with the highest average level of perceived capabilities is Sub-Saharan Africa (see Figure 15). In Zambia, Malawi, Ghana, Uganda and Nigeria, at least 80% of the female population stated they had the skills for entrepreneurship.

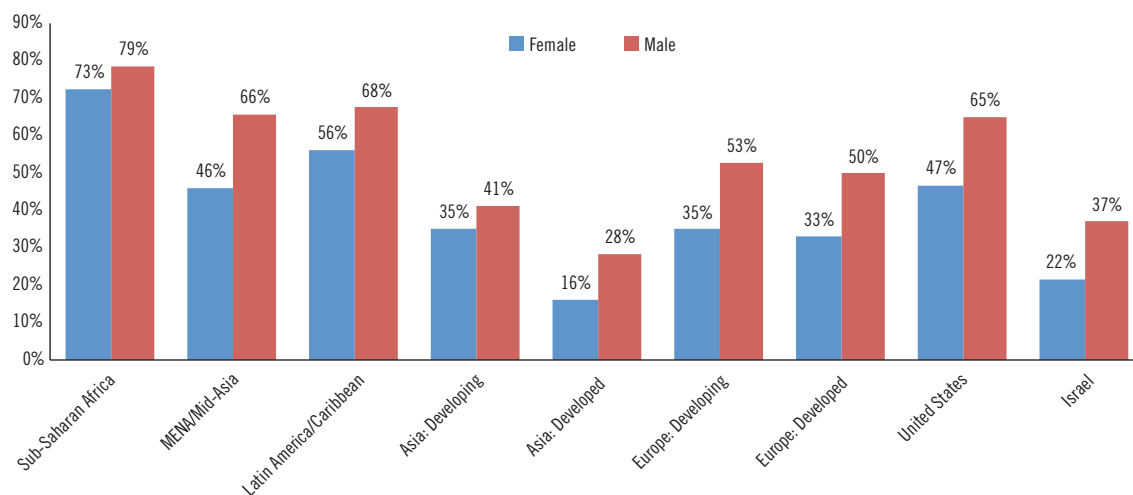
Developed Asia showed the lowest regional average. In Japan, one out of 20 women believed they were capable of starting a business. The other three Developed Asian economies also showed among the lowest percentages on this measure, along with Russia, Israel and Denmark.

It is notable that in every single economy in the sample women have lower capabilities perceptions than men. Economies in Sub-Saharan Africa (Nigeria, Angola and Uganda) showed the narrowest gender gap, while in Republic of Korea and Norway, men were about twice as likely to have positive beliefs about their entrepreneurial abilities compared to women.

It is important to note that the average business in Sub-Saharan Africa may be different from that in Developed Asia, where capabilities perceptions were lowest. Further, women in Sub-Saharan Africa are more likely to start businesses

**FIGURE 15**  
Capability Perceptions  
for the Female and  
Male Adult Population  
by Region

Source: Global  
Entrepreneurship  
Monitor, 2012



out of necessity, as will be revealed later in this chapter, and they are more likely to start businesses in consumer oriented industries, as Chapter 1 detailed. Necessity-motivated businesses and those in the consumer sector are more often smaller and less knowledge or capital-intensive than those in business services or transforming. Therefore, women in one region may base their perceptions on a different type of business than women in other regions.

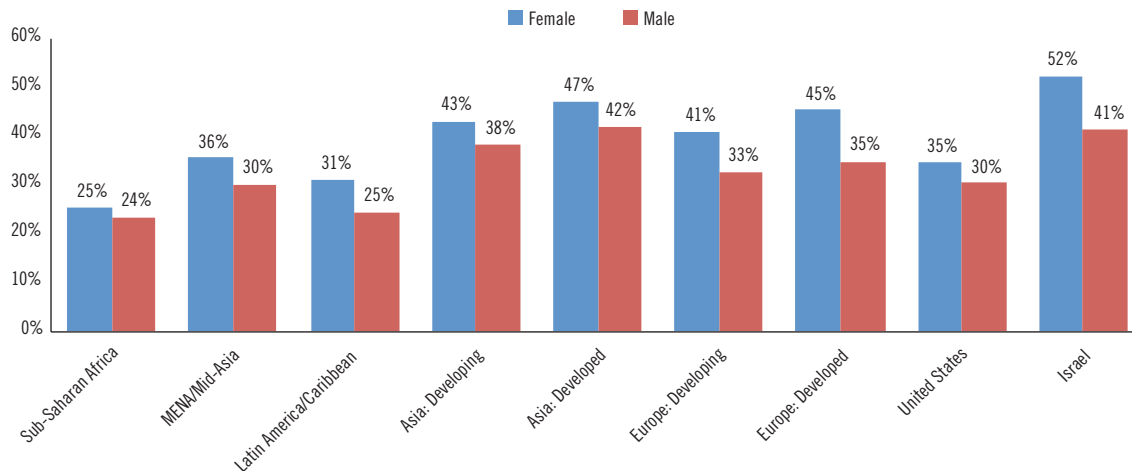
The comparatively low levels of perceived capabilities in Europe (both Developed and Developing) is of interest because women in these economies are generally well educated, and therefore might have basic skills applicable to starting a business. For instance, in Norway, Netherlands and Denmark, we see large differences in male and female perceptions of capabilities, even though these economies are well developed, suggesting there might be other societal factors influencing perceptions of entrepreneurial abilities.

The second self-perception measure, fear of failure, is assessed for those people seeing opportunities for starting businesses in their area. It is an indicator of whether those perceiving entrepreneurial opportunities would be deterred from starting because of fear of failure. Where fear of failure is low, it is expected that people would be less inhibited by the risks inherent in entrepreneurship.

Fear of failure is lowest in the Sub-Saharan Africa region, followed by Latin America/Caribbean. Individual economies in these regions having the lowest perceived fear of failure, between 15 and 18% of those seeing opportunities, include Malawi, Zambia, Uganda and Ghana in Sub-Saharan Africa and Trinidad and Tobago, Panama, and Barbados in Latin America/Caribbean.

In contrast, regions with the highest perceived fear of failure include Developed Asia, Israel and Developed Europe. More than half the women perceiving opportunities would be deterred by fear of failure in about 10 economies from these regions, with Greece exhibiting the highest level at 63%. In sum, fear of failure is generally lower in less developed economies, rising with level of economic development. When good job options are generally available in an economy, fear of failure may be influenced by perceptions of what one might lose (such as a salary as an employee) if they ventured out on their own. In the developed economies, it is likely that women stand to lose more than those in less developed economies, where there are fewer job alternatives.

When we compare male and female entrepreneurs, we find that women systematically have higher fear of failure rates than men on average in all regions (see Figure 16). The greatest gaps by gender are in Israel, followed by Developed Europe. Notably, Belgium, Switzerland and Ireland exhibited a more than 20 percentage point higher fear of failure for women compared to men. The smallest differences by gender are noted in Sub-Saharan Africa. In fact, three Sub-Saharan African economies (Angola, Ghana, Zambia) show lower fear of failure for women than men.



**FIGURE 16**  
Fear of Failure for Those Seeing Opportunities for the Female and Male Adult Population by Region

Source: Global Entrepreneurship Monitor, 2012

Considering that perceived opportunities relate more to one's attitudes about the external environment, while perceptions about capabilities and fear of failure relate more to one's self-perceptions, it would be interesting to explore whether either or both have greater influence on entrepreneurial activity. In Belgium, Russia and Japan, women generally do not believe there are lots of opportunities for entrepreneurship and they also do not perceive themselves capable of starting businesses. In addition, they have relatively high fear of failure. No more than 3% of the women in these economies are starting or running new businesses. At the other end of the spectrum, in Ghana and Uganda, about 80% of women perceive opportunities and even more believe they have the capabilities for starting. But only about one-sixth of those perceiving opportunities see fear of failure as a deterrent, and this is evident in all female TEA rates exceeding 36%.

But in some cases, there are discrepancies between how women view themselves and their environment. For instance, in Denmark, lots of women perceive opportunities (41%) compared to the average in the Developed Europe region. Perceived capabilities, on the other hand, are lower than the regional average (22%) and fear of failure is close to average for the region (43%) but high compared to the overall sample. Despite generally seeing opportunities, however, Danish women are less likely to believe they are capable of starting a business and they are generally risk averse. This would seem to weigh on low entrepreneurship participation rates (3%).

On the other hand, less than one-fourth of Tunisian women see good opportunities for starting businesses. Yet the majority of these women (76%) would not be deterred by the risk of failure, and half the women believe they are capable of starting businesses. The female TEA rate in this economy is the same as in Denmark, however. While in Denmark self-perceptions weighed heavily in low startup rates, despite good opportunities, there were few opportunities for confident Tunisian women to take advantage of.

## NECESSITY VERSUS OPPORTUNITY MOTIVES

GEM asks all entrepreneurs about their primary motivation for starting a business, whether it is due to necessity and/or opportunity. Those with necessity motives entered entrepreneurship mostly because they have no other options for work, while entrepreneurs with opportunity motives chose to pursue an opportunity. In general, we can consider those with necessity motives as being pushed into entrepreneurship out of necessity. Opportunity-motivated entrepreneurs, on the other hand, can be conceptualized as being pulled into entrepreneurship by the prospects of opportunity.

Necessity-driven entrepreneurship, particularly in less developed regions or those experiencing job losses, can help an economy benefit from self-employment initiatives and, in some cases, job creation for others. On the other hand, developed economies typically offer more employment options to attract those that might otherwise become entrepreneurs. Consequently, there are fewer individuals venturing into entrepreneurship, particularly because of necessity motives; those that do start business, though, are more likely motivated by opportunity.

GEM has collected information on opportunity and necessity motivation for a decade, and we see that opportunity motivation is generally more in all regions, indicating that entrepreneurs around the world primarily choose to enter this activity. Opportunity motivation is even more prevalent in the developed economies, though, where they generally account for three-fourths or more of the women entrepreneurs. Economies with the highest levels of opportunity motivations can be found in Developed Europe. This motive accounts for as much as 90% of the women entrepreneurs in **Sweden, Denmark and Slovenia**.

Necessity motivation is relatively more dominant in less developed and developing economies (see Figure 17). Sub-Saharan Africa, with its high female TEA rate, also shows high levels of necessity motives. Thus, while we might celebrate the

## CHAPTER 2

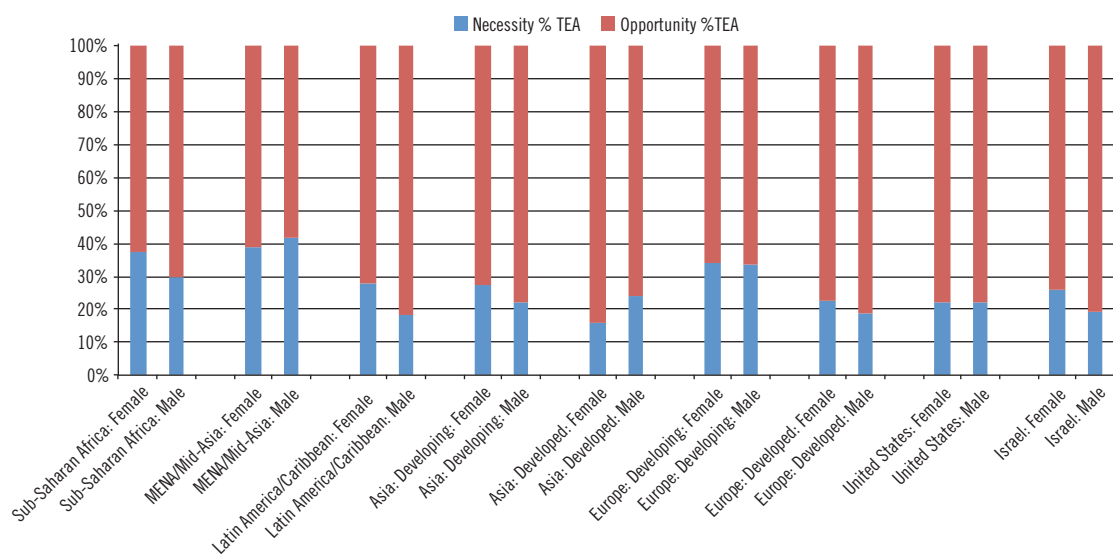
high numbers of women entrepreneurs in this region, we must also acknowledge that they are more often pushed into this activity. MENA/Mid-Asia, on the other hand, combines low female TEA rates with high necessity motives, indicating that few women start businesses and when they do so, it is often because they need a source of income. Individual economies with the highest necessity motivations among women can be found in Pakistan, Bosnia-Herzegovina and Macedonia, where over 60% cited these motives.

The Sub-Saharan Africa and Latin America/Caribbean regions show large gender gaps, where necessity motives are higher than they are for men in their own economies. The greatest gender difference at the economy-level can be seen in Chile, where over one-fourth of female entrepreneurs were necessity motivated, while only one-tenth of men cited these motives.

Conversely, in Developed Asia, women are less likely to be necessity motivated compared with men. In Japan, fewer than 9% of women entrepreneurs were motivated by necessity whereas this motive accounted for one-fourth of the male entrepreneurs. Romania and Italy show similar results with greater necessity motivation for men than women. Men were over twice as likely to start businesses as women in these three economies, indicating that a lot of male entrepreneurs were pushed into this activity, while women did not feel or act on necessity motives. On average, women and men were equally likely to be motivated by necessity in the Developing Europe region and in the U.S.

**FIGURE 17**  
Necessity and Opportunity Motives for Female and Male TEA by Region

Source: Global Entrepreneurship Monitor, 2012



### ENTREPRENEURIAL INTENTIONS

Entrepreneurial intentions measure the percentage of adults in a society that are not currently entrepreneurs, but who intend to start a business in the next three years. This indicator tracks closely with TEA rates, meaning that the higher the intentions in a society, the higher the TEA rates. Across the regions, Sub-Saharan Africa exhibits the highest average intentions (52% for women). In fact, the highest rates of intentions among the individual economies are all located in this region: Angola, Botswana, Ghana, Malawi and Uganda, where over 60% of women have entrepreneurial intentions. These economies also have relatively high TEA rates.

Developed Europe shows the lowest average intentions (8% of women intend to start a business). In the individual economies, intentions are lowest in Norway, Russia, Ireland and Japan, where less than 3% of the female population has intentions to start a business in the next three years. Lower intentions might, in some cases, be related to the availability of other employment options in these economies.

In nearly every economy, men have higher rates of entrepreneurial intentions than women. There are a few with about equal intentions between the genders, but Thailand is the only economy where women have substantially higher intentions than men (45% higher). Men have notably stronger intentions in Colombia, Egypt, Pakistan and Romania.

An examination of intentions relative to TEA levels can provide an indication of how many people are intending to start for every person actually joining the entrepreneurship ranks. This analysis shows that, even in entrepreneurship, people have good intentions, but these may not translate into practice. Only in the U.S. is there one person intending to start a business for every entrepreneur—among both women and men. In all the other regions, there are more people wanting (or ready) to start a business than there are those actually having started one.

## Education

Women's entrepreneurship in some economies is constrained by a lack of education; illiteracy is higher for Mexican women than for men, for example. In South Africa, especially the poorer communities, females are given fewer opportunities for education, particularly at the higher education levels. Conversely, there are many economies where women have higher education levels than men: for example in Ecuador and Slovenia. Yet in these two economies, women are less likely to participate in the labor market. The issues around education can therefore lie in a variety of aspects.

In Slovakia, Poland, Taiwan and Spain, women are also highly educated, as much or more so than men, and this includes higher education (college and graduate education). But there are two problems that constrain entrepreneurial capabilities: women tend to be overrepresented in 'typically' female fields such as education, while less likely to engage in fields dominated by men, like engineering or technology; this impacts the nature of their workforce participation. Additionally, they are less likely to receive training in areas relevant to entrepreneurship, including business and law disciplines, and this may be reflected in lower growth ambitions. In Spain, a lack of women managerial role models and entrepreneur networks limits the ability of women to adapt the education they receive in the academic world to the social skills required in the business environment.

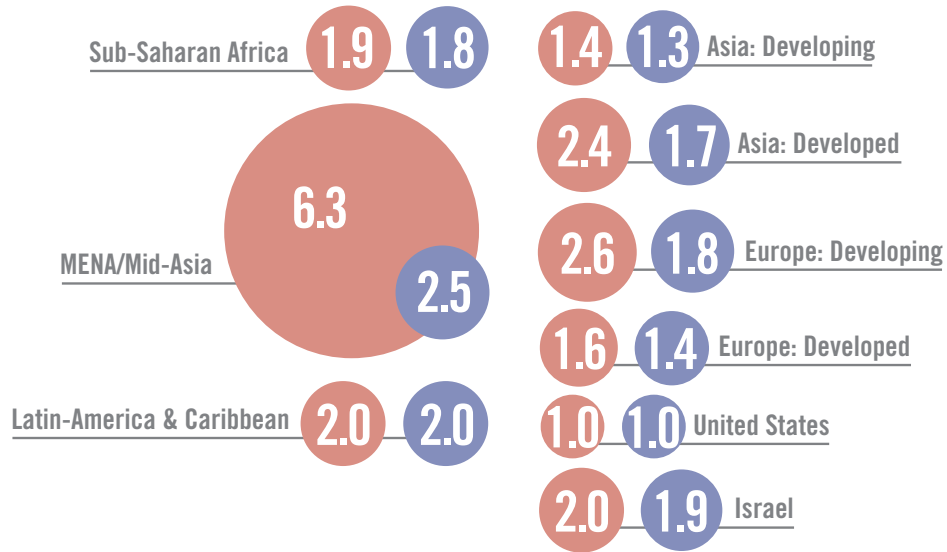
In the United States, key policy initiatives center on providing education and training for women of all ages, such as with the Small Business Administration's Women's Business Centers initiative. In addition, several very large companies such as WalMart/Sam's Club, Office Depot, etc. have created special programs for training women entrepreneurs. In U.S. universities, the number of entrepreneurship courses, majors and concentrations has risen dramatically in both undergraduate and graduate business schools and departments. However, the number of women enrolling in these classes is still far less than the number of men, both in courses and co-curricular activities (e.g. business plan competitions).

In Asia, the Taiwan government launched several women's entrepreneurship training programs, which include the 'Flying Goose Program,' the 'Business Startup Phoenix Plan,' and the 'Female Entrepreneurship Guidance Plan.' In the Republic of Korea, government initiatives target young women through training programs and an annual start-up contest for university students.

## CHAPTER 2

Interestingly, the ratio of intentions to actual starts is similar for women and men in most of the regions. The biggest discrepancy can be seen in the MENA/Mid-Asia region, where, for every woman entrepreneur, six women intend to start, but for every male entrepreneur, there are only two and a half people with entrepreneurial intentions. This region also shows the greatest disparity in TEA between the genders, suggesting that men are likely to act on their intentions more often than women. It may therefore imply that women want to start businesses in these economies, but face particular constraints in their ability to follow through.

Ratio of Intentions to TEA



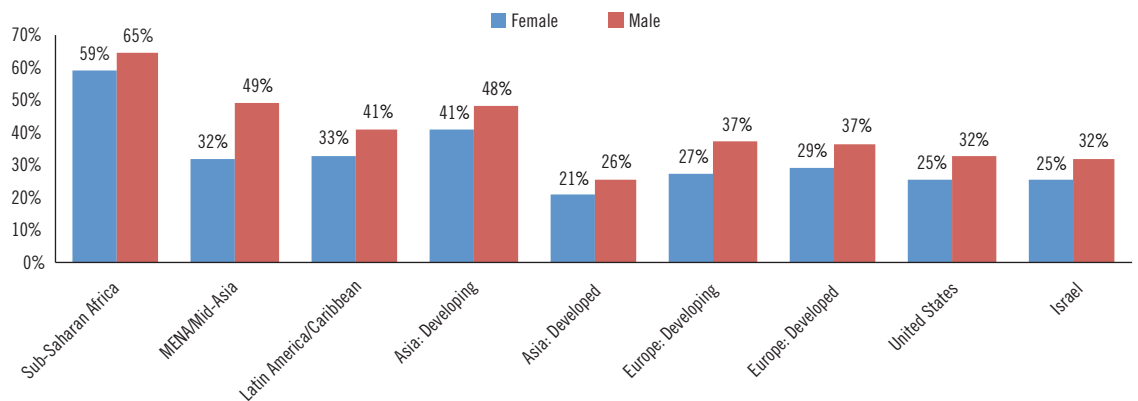
### ENTREPRENEURIAL AFFILIATIONS

Research over decades has emphasized the role of knowing entrepreneurs or having role models in motivating entrepreneurship. Affiliations with entrepreneurs can provide inspiration, a source of advice and connections to others within the entrepreneurship ecosystem. This indicator measures the percentage of respondents in a society who personally know an entrepreneur. Overall, Sub-Saharan Africa had the highest average percentage of respondents in a society who personally knew an entrepreneur. Individual economies with the highest percentages of entrepreneurial affiliations among women were all from this region: Zambia, Nigeria, Malawi, Uganda and Namibia, where over 60% of women knew an entrepreneur. This makes sense, given that where there are lots of entrepreneurs, there will be a general likelihood that anybody would know one.

In contrast, Developed Asia had, on average, the lowest percentage of respondents who knew an entrepreneur, paralleling the generally low rate of TEA in this region. The economies where the fewest people knew entrepreneurs were Singapore, Japan and Italy, where no more than 16% of women had such affiliations.

In no economy were women more likely than men to know entrepreneurs. In other words, more men than women know entrepreneurs pretty much everywhere—in Pakistan, nearly three times as many men as women knew an entrepreneur. Only in Belgium were men and women equally likely to know entrepreneurs.

**FIGURE 18**  
Percentage of Females and Males in the Adult Population Who Personally Know an Entrepreneur by Region



Source: Global Entrepreneurship Monitor, 2012



Cher Wang  
HTC, Taiwan

# Chapter 3

## The Impact and Future Expectations of Women Entrepreneurs

### IMPACT: INNOVATION

Innovation and entrepreneurship are generally tightly linked together. For the purposes of the GEM study, innovation is defined as the extent to which entrepreneurs offer products or services that are new to some or all customers, with additional consideration for the extent that no or few other businesses offer that same product. In sum, GEM uses a targeted approach to innovation that is focused on product/service innovation based on both market and competitive characteristics.

Innovation levels are highest among women entrepreneurs in the United States, with slightly higher levels than their male peers. In fact, women entrepreneurs from the U.S. had the highest rates of innovativeness among both genders across all the regions. Innovation levels in Developed Europe were also high for women entrepreneurs, and equal to that of men. Developing Asia, on the other hand, reports the lowest level of innovation among women entrepreneurs, and a lower rate than men (see Figure 19).

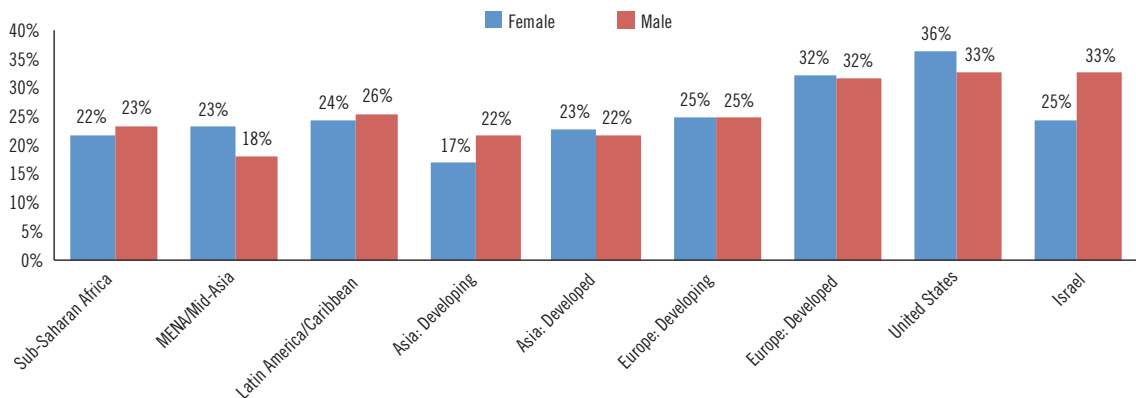
The MENA/Mid-Asia region, like the U.S., reports higher average innovation levels for women than men. It is particularly interesting that this region also shows the greatest gender gap in entrepreneurship rates, with men having much higher TEA levels. This suggests that women are less likely to enter entrepreneurship, but for those that do enter, they are more likely than their male counterparts to offer something they perceive as innovative.

Like Developing Asia, Israel shows a higher level of innovation among male entrepreneurs. In fact, Israel, along with the U.S. and Developed Europe, exhibit the highest levels of innovativeness among male entrepreneurs across the regions. Yet while women entrepreneurs in the U.S. and Europe show equal or higher levels, they display much lower rates than men in Israel.

Contextual explanations include levels of competition, supportive infrastructure, the size of internal markets for innovative products and so forth. Some regions have high competitive intensity in many industries. This could increase the perception that there are many competitors offering similar products. At the same time, high competitive intensity means there are many rivals competing for the same customers. In order to be successful, entrepreneurs often need to introduce innovations in order to stand out among the competition and even create new markets.

In economies like the U.S. and Developed Europe, innovation is facilitated by such aspects as highly educated entrepreneurs and employees, research universities and labs, legal systems that protect intellectual property, and clusters of suppliers, distributors, partners and other stakeholders that can help create a value network around innovations. In addition, customers have experience with innovation and are generally willing to try new products and services.

**FIGURE 19**  
Percentage of  
Female and Male  
TEA with Innovative  
Products or  
Services by Region



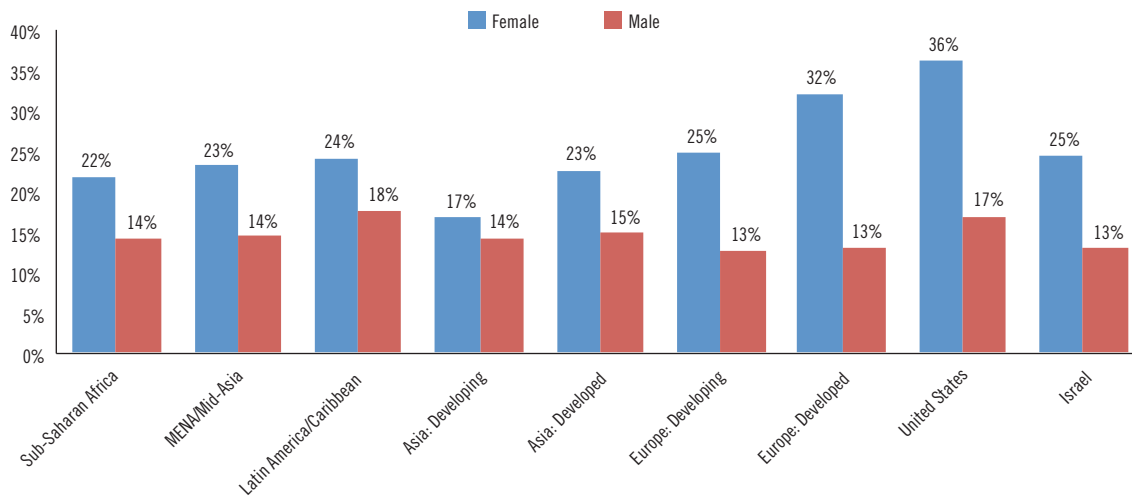
Source: Global  
Entrepreneurship  
Monitor, 2012

Figure 20 shows that women entrepreneurs exhibit considerable diversity in innovation rates across the regions, compared to that of established business owners. The highest level of innovation among entrepreneurs (in the U.S.) is over twice that of the lowest regional average (Developing Asia). Among women established business owners, the average varies little across the economies, with between 13% and 18% having innovative products or services.



In Developing Asia, particularly Thailand, there are many women entrepreneurs and established business owners; yet most appear to be introducing products and services similar to those already in the market. Given the earlier development stage but rapid growth of this region, market demand may readily absorb the offerings of entrepreneurs and business owners with less pressure for competitive differentiation. Additionally, in China, growing economic wealth is creating markets for products and services that may already exist in those markets.

Across the regions, entrepreneurs were more likely than established business owners to state they had innovative products or services. In Europe and the United States, innovation levels among women entrepreneurs were at least twice that of their more established peers. In crowded competitive environments with saturated markets, entrepreneurs need to distinguish themselves from current offerings in order to get a foothold. At the same time, established businesses seem to exhibit a perhaps complacent approach to innovation, creating opportunities for creative entrepreneurs. Additionally, high competitive and market dynamism can enable entrepreneurs to create new markets, and even new industries, out of the innovations they introduce.



**FIGURE 20**  
Percentage of Female TEA and Established Business Owners with Innovative Products or Services by Region

Source: Global Entrepreneurship Monitor, 2012

## IMPACT: NUMBER OF EMPLOYEES FOR NEW AND ESTABLISHED

From an economic development viewpoint, one of the most important desired outcomes of entrepreneurial activities is the creation of jobs. At the same time, it has been historically recognized that women business owners tend to create smaller businesses than do men, whether measured by the size of annual revenues or by the number of employees. The question about jobs begins with whether or not the entrepreneur chooses to become an employer, or decides to remain offering her products or services as an individual.

Around the world, a significant number of individuals create their incomes by working alone, running single-person operations. The extent to which entrepreneurs follow this path varies by region, and between men and women within regions. Figure 21 shows the percentage of new and established business owners that operate without employees. We do not assess this indicator for the nascent phase, since these businesses are just getting started.

In every region (with the exception of new business owners in Developed Europe), women are more likely to operate without employees than are men. The highest rates of single person businesses, especially among women, can be seen in the Latin America/Caribbean region, where half or more of the new and established business owners operate without any employees. This region also had among the highest female TEA levels, but low established business ownership. When

examining the impact of women entrepreneurs in this region, we therefore need to acknowledge that while there are a lot of women entrepreneurs, far fewer are running mature businesses, and half of the women business owners (new included) do not create jobs for others. This indicates a willingness among women to launch into this activity, but perhaps some concerns about growth and sustainability.

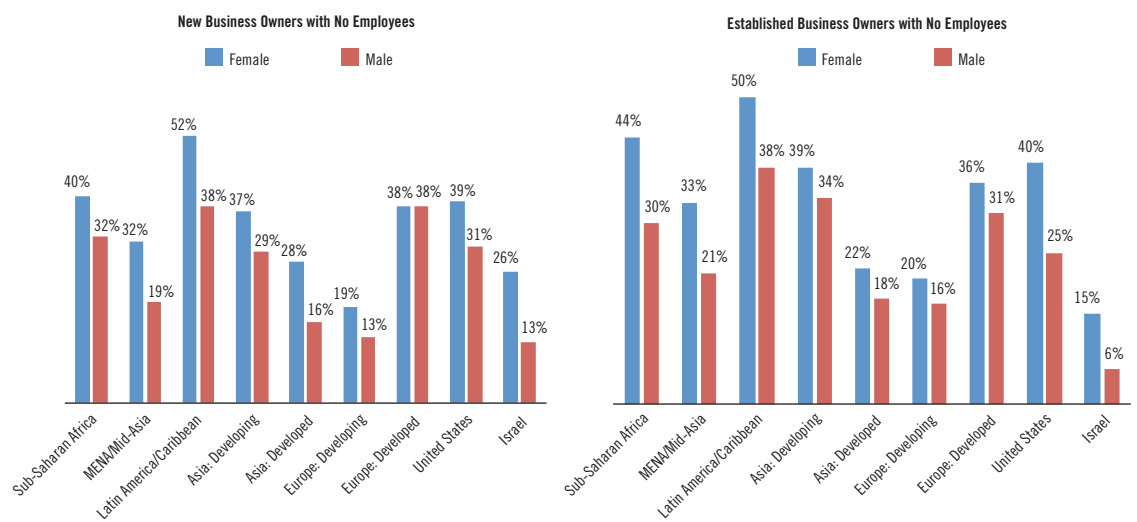
In Developing Europe, on the other hand, 80% or more of the women business owners operate with employees. Even though this region has fewer women entrepreneurs and business owners on average, those that are involved in this activity are more likely to run employer businesses. Perhaps, in this region, there is less value in self-employment, particularly to the extent one can take on other job options instead. Following this logic, entrepreneurship may be more attractive to women when they can employ others.

At the individual economy level, three economies from different regions show more than 70% of women entrepreneurs operating without employees: Thailand, Brazil and Malawi. These economies, particularly Thailand and Malawi, show high rates of entrepreneurship among women. It is thus important to recognize that these high levels are accompanied by many single-person businesses. On the positive side, this means that many women are able to self-employ; conversely, it also indicates that few women in these economies create jobs for others.

The largest gender differences in the proportion of single-person operations in both new and established businesses can be seen in the MENA/Mid-Asia region and Israel. Female business owners (new and established) are 60% more likely than their male peers to operate without employees on average in MENA/Mid-Asia. In Israel, women business owners are over twice as likely to do so. Other individual economies with large gender gaps in both new and established businesses include Denmark, Pakistan and Botswana. Female TEA rates are 3% for Denmark, 1% for Pakistan, both much lower than for males in these economies. As a region, MENA/Mid-Asia also exhibits both low female TEA rates and a large gender gap.

The above results present a two-pronged question about, first, low female entrepreneurship rates and second, a higher likelihood of nonemployee businesses when compared with men. Interestingly, these large gaps occur in both emerging factor-driven regions and highly developed innovation-driven ones, suggesting that economic development level does not alone explain this difference between genders.

**FIGURE 21**  
Percentage of New and Established Business Owners with No Employees by Region



Source: Global Entrepreneurship Monitor, 2012

### ASPIRATIONS: GROWTH

While the previous section addressed current employment levels of women entrepreneurs, another measure of job creation centers on the extent new and established business owners report desiring to grow their businesses. As such, GEM assesses how many additional employees entrepreneurs expect to have in five years.

This judgment may be based on the characteristics of the opportunity, the industry and the environment. The entrepreneur may thus seek growth based on the potential she sees in the business and the ability for the ecosystem to support this growth. Additionally, this indicator can also reflect the entrepreneur's own ambition and confidence—whether she wants to grow the business and believes she can accomplish this.

Not all growth aspirations will materialize as expected or desired; some or many of these businesses will, in fact, be discontinued before then. Yet entrepreneurs targeting growth are more likely to attain this result, making it a key measure of potential growth and job creation. Nevertheless, the majority of entrepreneurs do not anticipate growing their businesses beyond an additional five employees in the next five years. This is true for both sexes, but more so for women.

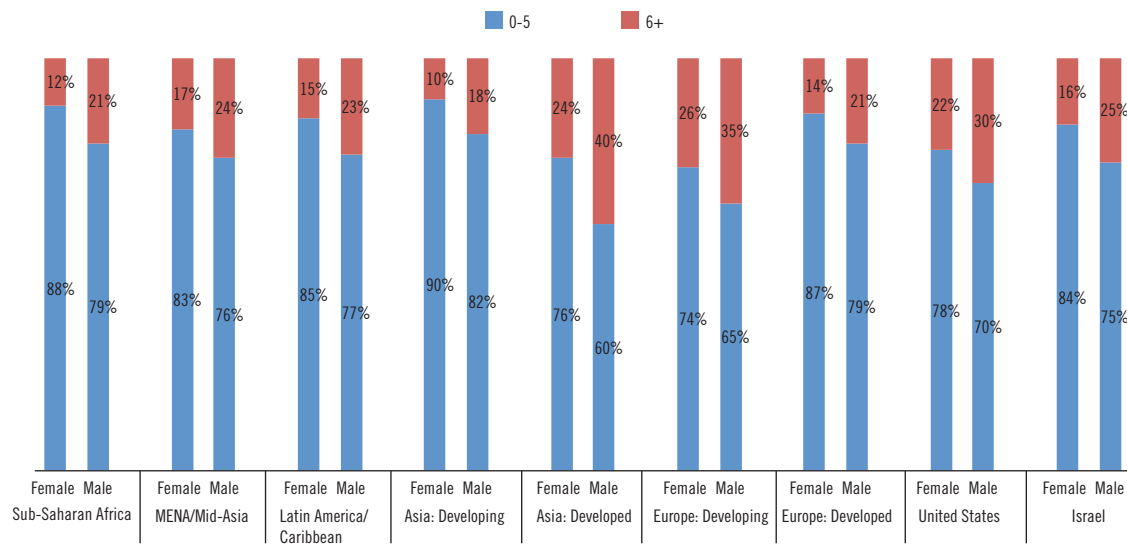
As Figure 22 illustrates, fewer women project they will add six or more employees than do male entrepreneurs. Overall, the absolute difference between females and males desiring higher growth does not vary greatly across the regions, with average growth projections running between seven and nine percentage points higher for male business owners than female business owners in all regions except Developed Asia. This indicates a consistently lower level of growth projections for women than men, and with little regional variation.

Viewed from the perspective of low growth prevalence, women were consistently more likely to estimate adding employees in the 0-5 range. Taken together with the findings on current employment, these results indicate that women entrepreneurs are more likely than men to operate without employees and project lower future growth for their businesses.

Among the regions, little more than one-tenth of the women entrepreneurs in Developing Asia and Sub-Saharan Africa expect to have more than five additional employees in five years. These regions also have among the highest female TEA rates and high level of parity between the genders. Despite having many women entrepreneurs, though, it is important to acknowledge that few anticipate growing their businesses substantially.

On the other hand, while there were fewer women entrepreneurs in Developed Asia and Developing Europe (about half the level of men entrepreneurs), about one-fourth project growth of more than five employees. Although smaller numbers of women enter this activity in these regions, more anticipate growth compared to those in other regions. Perhaps this indicates some level of selectivity; absent higher prospects associated with this activity, women may more often choose other alternatives.

For both men and women in each region, there are fewer established business owners projecting 6+ growth over the next five years. For instance, as few as 2% of women established business owners in Developed Europe anticipate this level of growth. This may be due to entrepreneurs being more optimistic than those who have been up and running for several years. Additionally, mature businesses may have fewer growth prospects, or the owners may have less interest in growth.



**FIGURE 22**  
Additional Number of Employees Expected in Five Years for Female and Male TEA by Region

Source: Global Entrepreneurship Monitor, 2012

### ASPIRATIONS: INTERNATIONALIZATION

While adding employees is one measure of growth, growth in market reach is another, and for a business, ‘going international’ is one way to pursue larger markets. GEM measures the percentage of entrepreneurs who have (or expect to have) more than 25 percent of their customers coming from outside their home economy. While there is a notable split between the developing and developed regions in reporting internationalization, there are also some interesting exceptions.

In general, entrepreneurs in developing regions (with the exception of Developing Europe) reported lower levels of internationalization. In Pakistan, Tunisia, Ecuador and Brazil, no women entrepreneurs indicated having over 25% foreign customers. The results in Brazil may be reflective of large growing internal markets and cultural reasons like language differences with its neighbors. Other contributing factors may include a lack of infrastructure or resources for overseas trade, as well as entrepreneurs with less information on how to trade outside their local areas, or with businesses that are more suited for local markets. There are some exceptions to low foreign trade in the less developed world, though. For instance, Angola and Namibia each report more than 40% of women entrepreneurs with this level of internationalization.

## CHAPTER 3

Developing Europe and Israel showed the highest level of internationalization among women entrepreneurs. A notable exception in the developed world is the United States, where the rate of internationalization is, along with Latin America/Caribbean, the second lowest among the regions. American males show the lowest rate of internationalization among the developed economies, but at still twice the level of women. The American market is large and diverse, but also highly competitive and with innovations that may be adapted to markets outside U.S. borders. At the same time, conditions in other regions can make expansion unfamiliar or less attractive: for example, variations in intellectual property protection and differing market readiness and requirements. Despite the apparent opportunities, American entrepreneurs mostly conduct their businesses in the U.S.

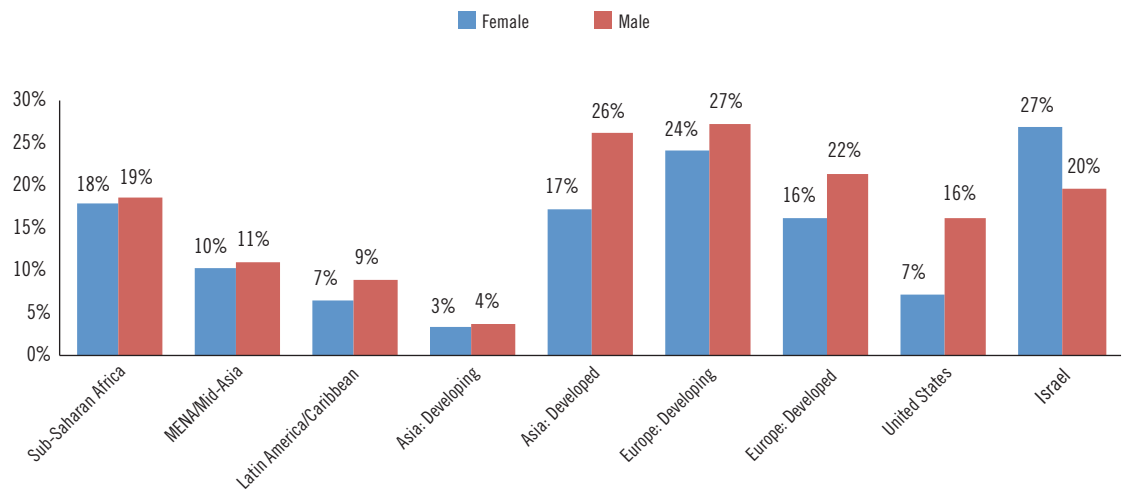
Strikingly, the developing regions show smaller average differences between female and male business owners in the percentage who are engaged internationally (see Figure 23). Where internationalization is either low or high in these particular regions, it seems to be the case for both sexes.

The developed economies, on the other hand, show much greater gaps. In Israel, men entrepreneurs are less likely to sell outside their national borders than women entrepreneurs. But in the U.S. and Developed Asia and Europe, male entrepreneurs show much higher rates of international trade. At the individual economy level, this includes Finland, where the percentage of international male entrepreneurs was ten times that of females (29% versus 3%) and the Republic of Korea, where men were six times as likely (27% versus 5%). Conversely, female entrepreneurs in Belgium were twice as likely as their male peers to have more than 25% international customers.

Small internal markets and cultural similarities with other economies may facilitate cross-national trade. Belgium is a member of the European Union, which facilitates the movement of people, goods and services amongst its member states. Yet so is Finland. What we might assume facilitates international trade for Belgian women does not seem to account for the international trade practices of Finnish women. Perhaps geographic location, the degree of adoption of the languages of neighboring countries and other factors can better explain some of these differences. Additionally, the Republic of Korea has a small internal market, which should compel entrepreneurs of equal gender to sell outward. A range of reasons may therefore weigh on, not only level of internationalization, but also gender differences revealed in this indicator.

**Figure 23**  
**Internationalization**  
**(>25% Foreign**  
**Customers) for Female**  
**and Male TEA by Region**

Source: Global  
Entrepreneurship Monitor, 2012



### A History and Culture of Equality

The 2012 GEM results showed slightly higher entrepreneurship levels among women compared to men in Thailand. The valuation of women as important partners has a long tradition in Thailand. Celebrating women as heroines is emphasized in Thai history in metaphors of women who can demonstrate their strength (fighting with a sword) as well as showing honor, obedience, love and respect, enabling them to blend mastery and femininity in business. Starting and owning a business is a socially acceptable and highly appreciated career option for women. There are no obvious women's entrepreneurship issues in Thai society; both genders act in the same ecosystem with similar constraints and enablers.

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# Conclusions

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The growth and prosperity of any economy is highly dependent on dynamic entrepreneurial activity. This is true across all stages of economic development and geographic regions. In order to stimulate this activity, an economy needs individuals with the abilities and motivations to start businesses, and people participating at every phase of this process. In addition, their efforts require a foundation of recognition and support from the stakeholders and societies for which they create value.

While some may enter this activity to be self-employed, a healthy mix of entrepreneurship in an economy needs to also include those that contribute to job creation and national competitiveness. Entrepreneurship therefore benefits those that venture into this activity, those that can find a source of income through employment in these businesses or participation in their value chain activities, people that use the products and services that improve their lives, and the broader society that develops and thrives under their ambitions.

This report is based on a fundamental premise: In order to truly benefit from a society's entrepreneurial potential, everyone must be able to participate and be supported in this activity, regardless of gender, age, education, income or other characteristics. With its specific focus on women entrepreneurs, this study has revealed a range of insights about the rate and profile of women's entrepreneurship around the world, the perceptions and motivations of women relative to this activity, and the current and future impact women entrepreneurs can potentially have on their societies. We next summarize some of the distinct characteristics exhibited in each of the regions examined throughout this report.

## SUB-SAHARAN AFRICA

Sub-Saharan Africa reports the highest regional TEA rates among women, as well as high gender parity. These high rates are accompanied by the most positive attitudes around entrepreneurship. A majority of women in this region see opportunities, believe they have the capabilities for entrepreneurship and intend to start a business in the near future. This region also shows the lowest fear of failure rates, and women are more likely than those in any other region to personally know an entrepreneur. Women in this region thus demonstrate they are both positioned to enter this activity and taking the steps to start.

Accompanying these high TEA rates, however, are low rates of established businesses. Additionally, discontinuance rates among women are high, and higher than male rates. This may signal some concerns about business sustainability, whether due to conditions in the environment that make it difficult to stay in business over time or the entrepreneurs' abilities or inclination for maintaining their businesses.

The typical business profile in Sub-Saharan Africa is a consumer-oriented, one-woman business with no employees, and with low expectations for future growth. These profile characteristics are more common for women than men. Women entrepreneurs here have the lowest education levels among the regions, and they have large households: five persons on average. They frequently start businesses out of necessity, and more often than men. Taken together with the indicators around established businesses and business stops, entrepreneurship among Sub-Saharan African women may be seen as addressing an immediate need to support families and drawing on low entry barrier types of businesses.

While it may be a positive sign that women are able to self-employ in this region, it can also reflect a need for income amid a lack of employment options. In addition, these results prompt questions about whether the environment can support longer term, more expansive entrepreneurial efforts, through targeting a subset of the female population or through broader societal efforts like improving education.

## MIDDLE EAST, NORTH AFRICA AND MID-ASIA

While the MENA/Mid-Asia region, like Sub-Saharan Africa, has a high proportion of early development-stage, factor-driven economies, participation rates in entrepreneurship run almost opposite to this region's southern neighbors. The lowest levels of female TEA can be seen in this region; males also show low rates of entrepreneurship, but they nonetheless exhibit four times the likelihood of entering this activity compared to females. Women also rarely run established businesses: again, with a much lower propensity compared to men. High discontinuance rates plague this region as well, at about the same level for men and women. This is concerning overall because discontinuance is not accompanied by a lot of startup efforts as we see in Sub-Saharan Africa. It is even more problematic for women because they stop at the same high rate as men, but are not starting nearly as often.

With regard to attitudes, women show moderate levels on most of the indicators. The issue, however, is more around gender gaps. For example, opportunity perceptions among men and women show the greatest gap of all the regions. Additionally, men are, on average, 50% more likely than women to personally know an entrepreneur. Women also appear to have trouble converting their intentions into actual starts. For every woman entrepreneur in the MENA/Mid-Asia region, there are six that would like to start a business within the next three years.

Many of the profile characteristics of women entrepreneurs in MENA/Mid-Asia are similar to Sub-Saharan Africa. Both regions have the highest average proportion of necessity motives. Women entrepreneurs in both regions have large families, with an average of five people per household. In both places, they operate primarily one-woman businesses with no employees. What is distinct about the MENA/Mid-Asia region, though, is that despite some positive attitudes and intentions among women, as well as necessity drivers, very few start businesses. The high discontinuance rates may be a signal of the difficulties faced by women in this region when they do start.

## LATIN AMERICA AND CARIBBEAN

Female TEA rates are high in Latin American/Caribbean, second only to Sub-Saharan Africa, and notably, there is also high gender parity. The popularity of entrepreneurship among women is reflected in positive attitudes and low fear of failure with regard to this activity. Established business ownership rates are much lower, though, either indicating issues around sustainability or a recent increase in entrepreneurship rates that has not had time to be reflected in mature business levels.

Latin American/Caribbean women entrepreneurs are more likely than their men counterparts to be running single-founder businesses. However, there seems to be a penchant for co-founders, with over one-fourth of the women entrepreneurs operating with another partner. Women entrepreneurs in this region also seem to be relatively wealthy; 43% on average are from households in the top one-third income category for their economies.

At the same time, there is a high level of necessity motivations among women entrepreneurs compared to other regions and also relative to their male counterparts. Additionally, out of all the regions, women entrepreneurs in Latin America and the Caribbean are the most likely to operate without employees. Most run consumer-oriented businesses, and they rarely sell outside their national borders. Given that these economies are all in the middle stage of economic development and experiencing high economic growth, it may be concerning that many of the businesses women run show characteristics indicating lower potential outcomes and, thus, limited economic impact.

## DEVELOPING ASIA

Although this region contains only three economies, it represents a high proportion of the world's population. Developing Asia exhibits some diversity in female entrepreneurship rates within this region, ranging from 6% in Malaysia to 21% in Thailand. Established business ownership among women ranges even more widely, from 5% in Malaysia to 29% in Thailand. Attitudes seem to track with these rates, with women in Thailand having more positive attitudes compared to China and Malaysia.

Nevertheless, this region shows high gender parity across all three economies. In addition, established business ownership is consistently high relative to TEA for both sexes, with Thailand showing even more established business owners than TEA. Developing Asia also shows the lowest discontinuance levels among the regions. Women in this region therefore appear to have similar opportunities for entrepreneurship as men, with an ability to sustain their efforts beyond the startup stage.

In China, only 15% of women entrepreneurs and business owners operate without employees, while 70% or more of those in Thailand do. But most entrepreneurs in this region operate without co-founders: about three-fourths on average. Developing Asia is also characterized by low proportions of growth orientation; only 10% of women entrepreneurs on average anticipate growing their businesses by six or more employees. Furthermore, their businesses are most often in the consumer sector: close to three-fourths. Given the rapid growth this region is experiencing, there may be opportunities for low barrier entry businesses, but longer term development of women entrepreneurs may focus on encouraging growth orientation and industry diversity.

## CONCLUSIONS

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### DEVELOPED ASIA

Developed Asia exhibits low female entrepreneurship rates in Republic of Korea and Japan, while Singapore has higher entrepreneurship rates, but low established business ownership among women. Coupled with low participation rates are a number of gender disparities in this region. Men were, on average, at least twice as likely to be entrepreneurs or established business owners compared to women here. Among entrepreneurs, women were highly educated but one-fourth less likely to have a college education compared to men, and they more often ran single-founder businesses. Almost half of male entrepreneurs operate in the capital and knowledge-intensive transforming and business sectors, while just over one-fourth of women have these types of businesses.

What may account for the gender gap in entrepreneurship rates is the higher level of necessity motives among males. This suggests that, despite a seeming lack of inclination for people in this region to enter entrepreneurship, necessity often pushes men into this activity while it has less effect on women. Attitudes may also explain some of these differences. Women have low perceptions about opportunities and capabilities, with a large gender gap evident in Korea particularly. Fear of failure is generally high in this region, and few women have personal affiliations with entrepreneurs.

Positive indicators are evident in the relatively high likelihood of selling internationally among women entrepreneurs, although men were even more likely to do so. This is less surprising, though, when one considers the small internal markets that characterize economies like Taiwan and Singapore. Growth aspirations for women were among the highest across the regions. Nearly one-fourth of women in Developed Asia expected to add six or more employees in the next five years; however, 40% of men in this region had these expectations. While women showed a propensity for growth and global trade, the concerns relative to this region center on less positive attitudes, which may be reflected in low rates of entrepreneurial activity and business ownership among women. In addition, comparatively lower education rates and less participation in knowledge and capital-intensive industries may constrain the overall potential for women's entrepreneurship to contribute to economic development.

### DEVELOPING EUROPE

Female TEA rates in Developing Europe are fairly low, particularly for a region containing middle income economies. Male TEA rates are over twice that of females in this region. Women entrepreneurs are highly educated, though; they are more likely than their male peers and women non-entrepreneurs to have a college degree. They are also wealthy; nearly half are in the highest one-third household income bracket. Moreover, this region reports high youth participation, with average TEA rates 63% higher for female youth than for their older peers.

Notably, this region shows the highest proportion of entrepreneurs with co-founders; in fact, 30% of women entrepreneurs have one other partner—higher than in any other region. Additionally, women business owners are highly likely to employ others, demonstrating their contribution to employment in their societies. Furthermore, they have high ambitions. Female entrepreneurs in Developing Europe exhibit the highest proportion of those with growth expectations of six or more employees over the next five years. Besides Israel, women entrepreneurs in this region have the highest level of internationalization.

In sum, women entrepreneurs in Developing Europe are typically young, well-educated and wealthy. They often partner to start business and they employ others. They have ambitions to grow and sell internationally. With all this potential it's a wonder there aren't more women entrepreneurs in Developing Europe. Perhaps the answer lies in competing alternatives for their time and careers, or gender-related barriers. Yet little more than one-fourth of women in this region see lots of opportunities for entrepreneurship; only Developed Asia reports a lower regional level on this indicator. In this respect, a lack of perceived opportunities may constrain women's entrepreneurship in this region.

### DEVELOPED EUROPE

Entrepreneurship rates among women were low in Developed Europe, lower than that of their male peers, although with less a gender gap than was reported in Developing Europe. More than half the women entrepreneurs were operating consumer-oriented businesses; in contrast, over half of the male entrepreneurs in this region were running transforming or business services operations. Women were also more likely to be running single-founder businesses.

Like their less-developed neighboring economies, Developed Europe has highly educated women entrepreneurs, who are more likely than their male counterparts and non-entrepreneurial women to have a college degree. Internationalization is high among women entrepreneurs in this region, although not as high as in Developing Europe (which is about 50% higher) nor as high as their male equivalents. Perhaps more surprising, however, is the low growth aspirations among women entrepreneurs in this region; only 14% projected to add six or more employees in the next five years: lower than their male counterparts and little more than half that of women in Developing Europe.

Few women entrepreneurs in Developed Europe report being motivated by necessity, signaling a lack of a compelling need for starting businesses. In addition, women in this region report among the highest regional averages on fear of failure,



which may especially deter those with opportunity motives. At the same time, when women in this region do start, they more often go it alone, without co-founders. They often operate direct-to-consumer businesses, and they have little appetite for growth. Perhaps the vestiges of the economic downturn in this region continue to weigh heavily on any entrepreneurial ambitions women may have. Concurrently, women in this region may have many alternative pursuits: some of which are perceived more attractive than entering into entrepreneurship.

### UNITED STATES

Women in the U.S. are starting businesses at twice the average rate of other developed economies (Developed Asia and Europe and Israel). Men were 50% more likely than women to engage in entrepreneurship, though, revealing a gender gap in entrepreneurship participation rates in the U.S. No gender gap existed with regard to necessity motives, however; both sexes had an equally low likelihood of this motive. American women also appear to be translating intent into action; for every woman intending to start a business, there was one starting or running one. The other regions show higher intentions than TEA, implying that there are more intending to start than actually starting. When women exit entrepreneurship, however, they are twice as likely as men to cite problems with finance as a cause.

American women are highly educated; 70% have at least a college degree. Their households are typically small (three people on average) and wealthy (43% come from the top one-third income bracket). Like Developed Europe, though, American women entrepreneurs often go it alone, starting businesses by themselves and operating without employees, more frequently than do men.

Women entrepreneurs in the U.S. show the greatest level of involvement in business services compared to women in other regions; men are one-third more likely to compete in this sector, however, representing the overall highest level among all the regions. U.S. women entrepreneurs report the highest level of innovation among the regions, even slightly higher than their male peers. Yet their rate of internationalization is among the lowest in the sample, and less than half of what American men report.

Entrepreneurship among women in the U.S. appears to be characterized by contrasts: healthy rates but lower than men, having personal resources for this activity but not leveraging the resources of others, and innovating and entering knowledge-intensive industries but not venturing outside the country. Access to finance may be among the constraints women face in the United States, but given the advanced stage of development of this country, women may additionally weigh the potential prospects of entrepreneurship against other options that compete for their career choices.

### ISRAEL

Although showing better gender parity than other developed regions, female TEA rates are low in Israel. Entrepreneurship seems to attract young and middle class women. Among women entrepreneurs, youth rates are 63% higher than those in the 35 to 65 age range. More than half the women entrepreneurs come from the middle one-third income bracket.

Nearly 90% of female entrepreneurs in this economy operate their businesses on their own, without other founders: the highest of all the regions. At the same time, they are highly likely to employ others, although this is even more the case for men in this country. The small population and general international orientation of the Israeli people likely contribute to the high internationalization of women entrepreneurs here, which is even higher than it is for men.

### Changing Mindsets

In Uganda, women participated equally in entrepreneurship compared to men, according to the 2012 GEM survey. In the past, most businesses in Uganda were male dominated with minimal participation by women. Now, the cultural and social norms of Uganda are such that women are no longer viewed as mere homemakers but as people who can engage in business. In 1989, an affirmative action policy increased the number of girls enrolled into tertiary education, and a number of beneficiaries of this policy are now in the workforce. Currently, approximately one-third of the positions in parliament are filled by women legislators. As women continue to engage in entrepreneurship, however, the biggest constraints they face are limited business skills and limited access to finance. Their ventures are typically small personal enterprises that are not independent of their private lives.

## CONCLUSIONS

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There seem to be some dynamic characteristics of women's entrepreneurship in Israel. This endeavor attracts young women and is open to the middle class: neither exclusively for the wealthy nor a necessity for the poor. As entrepreneurs, women can create jobs for others and reach across the globe for markets. Yet there are some constraints evident in the data that may begin to explain the low female TEA rates and gender disparities. For example, of those discontinuing businesses in the past year, twice as many women as men cite problems with finance. In addition, over half the women seeing opportunities in their areas stated that fear of failure would prevent them from starting: by far, the highest level on this indicator among the regions and much higher than reported by men.

We close this report with some implications aimed at facilitating understanding and discussion about women's entrepreneurship.

## IMPLICATIONS

- 1. Attitudes Into Action.** The results across the regions reveal a generally strong link between women's perceptions about entrepreneurship and their rates of entering this activity. Where women believed there were good opportunities for starting businesses, and where they had confidence, ability and spirit for this activity, there were typically higher female entrepreneurship rates. Yet given that both attitudes and entrepreneurship rates differed for women and men in many regions, it is obvious that environmental conditions or constraints weigh differently on the sexes.
- 2. Constraints in Moving Across Phases.** Women appear to face difficulties moving from one phase to another in the entrepreneurship process. At the front end, intent is not always accompanied by actual starts in the majority of regions. Women may want to start businesses in many cases, but a look at intent versus TEA rates elicits concern about whether this intent is translating into action. At the later stages of the process, we see that where women are jumping into this activity, there is evidence that many are discontinuing or not sustaining their business into maturity.
- 3. Going It Alone.** Women more often operate businesses as single founders and without employees. One-woman operations, however, cannot leverage the ideas, abilities, resources and connections of co-founders. Nor do these contribute to job creation or the ability to grow a business. On the one hand, we can celebrate women's ability to self-employ, which may create advantages to the extent this offers more flexibility as well as income. But from an economic development standpoint, we also need women that will engage others in these endeavors. It perhaps brings up questions about collaboration as a cultural value and how this is perceived in male versus female businesses.
- 4. Playing It Comfortable.** Industry participation in women's entrepreneurship shows a dominance of consumer-oriented business activity, and accompanying that, less industry sector diversity. Men in most of the regions are more keenly engaged in sectors that typically rely on capital and knowledge. In some cases, well educated women may be running seemingly lower potential businesses: for example in Developed Europe. This leads to questions about whether women are exercising their full potential as entrepreneurs. One clue may be revealed in the indicator on capabilities. Despite high education levels among women entrepreneurs, and higher levels than men, women in Europe and the U.S. are much less likely to believe they have the capabilities for entrepreneurship compared to men in their economies and women in other regions. This may indicate either a mismatch between their education levels and confidence, or a lack of more relevant training for entrepreneurship.
- 5. Short-Term Endeavors.** In many regions, women often start businesses out of necessity. In places like Sub-Saharan Africa and MENA/Mid-Asia, women have large households and low education levels, perhaps leading to shorter term concerns and low entry-barrier businesses, yet fewer longer term prospects. Many women entrepreneurs may not be able to see beyond their current circumstances, compounded by constraints in their environments, to entertain any thoughts of something bigger. Yet necessity can (or should), at least in some cases, be the seed that leads to higher potential businesses.
- 6. Staying Home Rather Than Venturing Abroad.** Low rates of international business activities among women are evident in both developing regions like Latin America/Caribbean and Developing Asia, as well as developed economies like the United States. While the size of the internal market and competitive characteristics may explain these results for some regions, an overly local focus may represent missed opportunities for women.
- 7. A Viable Career Choice.** In the United States and Europe (both Developing and Developed), women entrepreneurs are a particularly educated group: more so than women non-entrepreneurs, and even more than male entrepreneurs. Perhaps entrepreneurship provides a viable career option to advance the ideas of knowledgeable women. It may also be a step away from a sense of lack of recognition or rewards associated with being employed by someone else. At the same time, entrepreneurship rates are still low among European women, who may nonetheless accept work as employees.

8. **The Future in Youth.** Youth entrepreneurship is somewhat more popular among women in Developing Europe and Israel. Youth (and their societies) may benefit from venturing out at an age when they have fewer family-related financial obligations and, being at the start of their careers, when they have fewer opportunity costs associated with higher level positions and salaries as employees. Early entrepreneurial endeavors may benefit young women even as they seek other career pursuits later on—as entrepreneurial employees, repeat entrepreneurs or as investors, managers or value chain participants with other entrepreneurs, not to mention role models for other young women.
9. **Access To Finance.** Finance accounts for twice the proportion of business discontinuance among women compared to men in the U.S. and Israel—the two countries most visibly associated with sophisticated financial systems for entrepreneurship. Lack of finance is therefore not just a problem faced in less developed entrepreneurial ecosystems.
10. **Setting Targets.** The differences between women and men regarding growth projections runs between seven and nine percentage points across most of the world’s regions, with women reporting lower aspirations for growing their businesses. Entrepreneurship impacts economic development through job creation. But if entrepreneurs don’t aspire to create jobs, they won’t. This finding raises questions about education (teaching about business growth) and policy (costs of adding and retaining employees). While most of these policies may be considered gender neutral at first blush, inside of each are issues to be addressed, such as entrepreneurship training programs for women that emphasize economic core types of business rather than growth, and policies that increase social welfare benefits for corporate women.

Addressing women’s entrepreneurship in many societies will likely require a combination of broader efforts and more targeted ones. Societies benefit overall from efforts such as those providing better access to education, and these efforts will in time enhance entrepreneurial activity. But some wide-ranging initiatives, like promoting societal role models, may be less effective when women face so many constraints. In addition, some social welfare policies may actually disadvantage women business owners.

Broader initiatives therefore need to take into account the overall conditions in the environment. Additionally, they will most likely have impact over the longer term and will thus require patience. Interim assessments, however, can be important indicators of progress. For example, attitudes have been shown in this report to closely track with entrepreneurial activity. It may be worthwhile to assess the evolution of attitudes, both in how women see the environment around them and how they perceive themselves relative to this activity.

In the meantime, opportunities to encourage and support women entrepreneurs should not wait for conditions to improve in an economy or region. In fact, entrepreneurship might contribute to this development. Targeted efforts may therefore be warranted; for example, role models might be more effective for women in early stage educational programs as well as college, or women that have already demonstrated intent or some ability to start and run businesses, particularly if such efforts are accompanied by personal contact. In addition, education and training programs may focus on growth and sustainability of the business as well as the start-up and/or nascent phases.

This report examined a range of economies and regions, each with its own particular entrepreneurship character relative to how many women are starting businesses, who they are, why they start and the value they create for their societies. The diversity of indicators and results across this broad global sample does not offer easy solutions, but provides a wealth of information to stimulate conversations and improve understanding about the women that start businesses and the ecosystem in which they operate.

With this study we hope to enhance learning and debate around the unique nature of women’s entrepreneurship. For example, where there are high rates of women participating, as well as gender parity, such as what we see in Developing Asia, or those that take on partners and employees and seek growth and international markets, such as in Developing Europe, we might study the factors that contribute to these results and ask whether they are outcomes of any particular policies or initiatives. We can discuss whether there are lessons in particular outcomes that may be applied elsewhere, most likely with modifications that accommodate each unique environment. The ultimate goal is to enable women of all kinds and in all places to have the opportunities and resources to successfully exercise their entrepreneurial ambitions.

## Recognition and Visibility

Women's entrepreneurship has garnered recognition in many parts of the world, calling attention to the value women entrepreneurs offer their society and the particular needs they may have. In Mexico, a government program called 'Instituto Nacional de las Mujeres' is oriented more broadly toward changing the cultural perception in this country: to one that promotes equality between women and men. Many initiatives in other economies are aimed at increasing the visibility of women entrepreneurs and helping them develop their networks.

In the United States, an increase in networking organizations for women entrepreneurs has provided peer support. In Poland, media and private companies organize campaigns and contests for the best women entrepreneur. In Ireland, the Going for Growth program provides successful women entrepreneur role models who volunteer their time to give early-stage women entrepreneurs the confidence and skills to aim high and to succeed in growing their businesses. This is an example of a private sector initiative for which financial support is provided by the public sector European Social Fund (ESF) and the Irish Government under the Equality for Women Measure, as well as by Enterprise Ireland, the national development agency. Bank of Ireland is also providing financial support to the initiative.

In Spain, the Women's Institute, an organization operating under the Ministry of Health and Social Affairs, promotes women's entrepreneurship through a variety of initiatives. For example, at the university level, the 'Woman-Emprende' program highlights success stories of women entrepreneurs, offering training and networking opportunities for women. Network building for women entrepreneurs also receives government assistance in Chile, through such initiatives as the Female Entrepreneurship Network, organized by the National Women's Service (Sernam). Similarly, Slovenia's Institute for the Development of Family and Female Entrepreneurship coordinates national and international business networks for women entrepreneurs.

European Commission-initiated women 'ambassador' programs were adopted in countries like Sweden, Poland, Slovakia and Slovenia, where women entrepreneurs participate in events and workshops designed to inspire other women and raise their confidence to start businesses. Slovakia's National Agency for SME Development also offers other programs developed by the European Commission, including the Guardian Angels for Female Entrepreneurs, which provides mentoring and advising from successful business women.

In the Republic of Korea; the government-enacted 'Law to Support Women Entrepreneurs' in 1999 led to the formation of the Korea Women Entrepreneurs Association (KWEA) and, later, to the more formalized 'Women Entrepreneurs Support Center,' which provides financial assistance (loans), training, business incubation and other services. In Uganda, government/private sector partnerships support women entrepreneurs through such activities as mentorship, training and access to financial support.



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# Appendix

**TABLE 1**  
Key Activity and Profile Indicators for Women and Men in 67 Economies, Grouped by Geographic Region and Economic Development Level

REGION	Economy	Total Entrepreneurial Activity (TEA) Rate (% Adult Population)		Established Business Ownership Rate (% Adult Population)		Discontinuing a Business in the Past Year (% Adult Population)		At Least a Post-Secondary Degree (% TEA)		Businesses Have One Founder (% TEA)	
		Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Sub-Saharan Africa	Angola	31	34	9	9	14	13	18	29	74	67
	Botswana	25	30	5	8	23	11	24	38	70	61
	Ethiopia	13	17	10	10	1	1	15	25	89	86
	Ghana	38	35	36	40	14	10	2	5	87	78
	Malawi	32	39	9	13	28	22	1	4	98	92
	Namibia	18	19	3	4	7	10	16	12	70	71
	Nigeria	36	34	15	16	6	4	24	33	80	80
	South Africa	6	9	2	3	12	12	18	23	71	58
	Uganda	36	36	29	34	24	21	2	5	83	83
	Zambia	40	43	4	4	9	11	34	31	52	44
Regional Avg. (unweighted)		27	30	12	14	14	11	15	20	77	72
Middle East/ North Africa/ South Asia	Algeria	5	12	1	5	33	24	45	30	50	55
	Egypt	2	13	1	8	2	7	24	19	51	52
	Iran	6	16	3	16	1	7	39	35	67	64
	Pakistan	1	21	2	6	0	3	6	7	89	87
	Palestine	3	16	1	5	12	12	31	31	47	46
	Tunisia	3	7	2	7	11	5	33	34	95	83
Regional Avg. (unweighted)		4	14	1	8	10	10	30	26	67	65
Latin America/ Caribbean	Argentina	14	24	6	13	3	4	26	33	49	44
	Barbados	16	18	8	17	2	5	61	55	76	72
	Brazil	15	16	13	17	5	6	13	16	68	64
	Chile	19	26	6	9	4	6	34	47	64	51
	Colombia	18	23	5	9	6	5	36	42	41	38
	Costa Rica	11	20	3	4	4	7	22	13	57	62
	Ecuador	27	26	15	24	10	9	18	22	83	80
	El Salvador	14	16	9	10	7	8	25	38	59	38
	Mexico	12	12	3	6	1	4	11	17	61	57
	Panama	10	8	1	3	4	0	51	54	67	56
	Peru	18	23	5	6	13	15	26	33	53	54
Trinidad & Tobago	13	17	5	9	2	3	32	37	70	65	
Uruguay	10	20	3	7	7	8	30	30	45	44	
Regional Avg. (unweighted)		15	19	6	10	5	6	30	34	61	56
Asia Pacific: Developing	China	11	15	11	14	4	2	30	24	78	79
	Malaysia	6	8	5	8	0	6	39	38	68	67
	Thailand	21	17	29	30	2	1	36	39	75	74
Regional Avg. (unweighted)		13	13	15	18	2	3	35	34	74	73
Asia Pacific: Developed	Japan	2	6	4	8	0	2	50	62	45	62
	Korea, Republic of	2	11	4	15	4	2	34	76	97	66
	Singapore	10	13	2	4	3	7	66	75	47	37
	Taiwan	6	9	6	14	5	5	60	73	44	53
Regional Avg. (unweighted)		5	10	4	10	3	4	52	71	58	55

(Table 1 continued, next page)

**TABLE 1 (continued)**  
**Key Activity and Profile Indicators for Women and Men in 67 Economies, Grouped by Geographic Region and Economic Development Level**

REGION	Economy	Total Entrepreneurial Activity (TEA) Rate (% Adult Population)		Established Business Ownership Rate (% Adult Population)		Discontinuing a Business in the Past Year (% Adult Population)		At Least a Post-Secondary Degree (% TEA)		Businesses Have One Founder (% TEA)	
		Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Europe: Developing	Bosnia and Herzegovina	5	10	4	8	2	6	21	22	50	51
	Croatia	5	12	2	4	4	7	30	25	55	58
	Estonia	10	19	4	11	2	6	59	35	35	38
	Hungary	6	13	4	12	8	7	44	45	38	55
	Latvia	8	19	6	10	6	6	63	46	43	48
	Lithuania	4	9	4	12	0	1	86	61	58	47
	Macedonia	5	9	4	9	2	3	39	43	58	58
	Poland	6	13	3	8	7	4	31	22	75	69
	Romania	5	13	2	6	14	1	55	33	49	49
	Russia	3	5	2	2	3	5	82	70	70	60
	Turkey	7	17	3	15	8	5	51	43	43	47
Regional Avg. (unweighted)		6	13	4	9	5	5	51	40	52	53
Europe: Developed	Austria	8	11	6	9	4	10	43	37	73	58
	Belgium	3	8	4	7	4	9	77	66	57	52
	Denmark	3	8	2	5	6	5	84	71	58	51
	Finland	4	8	4	12	2	0	55	32	64	44
	France	4	6	2	4	2	6	42	59	57	40
	Germany	4	7	4	6	2	10	58	43	66	46
	Greece	4	9	7	18	0	3	71	65	59	59
	Ireland	4	8	5	12	3	7	79	73	56	54
	Italy	3	6	2	5	0	1	24	13	40	60
	Netherlands	7	14	6	13	1	2	43	41	66	62
	Norway	4	10	4	8	6	5	66	50	54	51
	Portugal	6	9	4	9	5	7	48	38	58	39
	Slovakia	7	14	4	9	1	6	40	42	64	50
	Slovenia	3	8	3	9	0	3	72	49	65	47
	Spain	4	7	6	11	3	4	45	39	55	54
	Sweden	5	8	3	7	7	4	61	37	53	59
	Switzerland	5	6	7	10	0	2	37	54	67	63
United Kingdom	6	12	3	9	3	3	65	65	72	62	
Regional Avg. (unweighted)		5	9	4	9	3	5	56	49	60	53
United States	United States	10	15	7	10	3	4	70	67	65	56
Israel	Israel	5	8	3	5	6	6	55	68	89	76

## APPENDIX

**TABLE 2**  
**Entrepreneurial Perceptions for Women and Men in 67 Economies, Grouped by Geographic Region and Economic Development Level**

REGION	Economy	Sees Good Opportunities		Has Capabilities to Start		Fear of Failure for those Seeing Opportunities		Intend to Start in the Next Three Years (Non-Entrepreneurs)		Personally Knows an Entrepreneur	
		Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Sub-Saharan Africa	Angola	64	68	71	74	36	40	70	69	66	70
	Botswana	63	70	67	74	26	24	72	72	45	51
	Ethiopia	62	68	66	73	35	30	22	26	53	60
	Ghana	79	80	83	89	18	19	60	60	54	58
	Malawi	75	73	81	88	15	10	66	76	71	79
	Namibia	74	77	70	78	36	34	44	46	62	71
	Nigeria	81	84	87	89	22	20	41	47	74	80
	South Africa	34	37	35	43	33	28	11	13	28	32
	Uganda	80	82	86	90	16	14	76	83	64	74
Zambia	79	77	80	88	16	17	56	55	75	81	
Regional Avg. (unweighted)		69	72	73	79	25	24	52	55	59	65
Middle East/ North Africa/ South Asia	Algeria	43	48	49	59	37	34	20	22	55	65
	Egypt	53	55	45	72	38	28	35	51	23	38
	Iran	35	43	49	59	44	39	19	28	35	45
	Pakistan	35	57	34	61	25	35	12	40	20	55
	Palestine	45	48	49	69	45	36	31	41	31	48
	Tunisia	23	43	50	74	24	10	16	28	28	41
Regional Avg. (unweighted)		39	49	46	66	36	30	22	35	32	49
Latin America/ Caribbean	Argentina	47	53	58	69	32	23	24	36	30	38
	Barbados	45	49	65	75	18	17	20	27	29	34
	Brazil	50	55	47	61	35	27	34	39	29	39
	Chile	62	68	51	69	33	23	40	47	37	47
	Colombia	70	73	49	64	38	27	50	65	26	35
	Costa Rica	46	48	57	69	38	33	31	36	35	47
	Ecuador	56	61	70	75	37	29	48	55	32	36
	El Salvador	40	46	54	65	47	37	35	46	36	44
	Mexico	43	47	57	68	27	24	17	19	40	44
	Panama	36	41	41	46	17	16	10	14	28	34
	Peru	52	62	61	70	34	27	44	46	42	50
Trinidad & Tobago	53	65	72	80	19	15	33	43	34	40	
Uruguay	49	54	50	66	31	23	16	25	31	41	
Regional Avg. (unweighted)		50	56	56	68	31	25	31	38	33	41
Asia Pacific: Developing	China	30	34	33	42	38	34	17	24	50	54
	Malaysia	33	38	28	33	36	36	12	14	42	50
	Thailand	44	45	43	49	55	45	22	15	30	40
Regional Avg. (unweighted)		36	39	35	41	43	38	17	18	41	48
Asia Pacific: Developed	Japan	6	7	5	13	50	56	2	3	12	16
	Korea, Republic of	8	17	16	37	54	38	9	18	24	33
	Singapore	23	22	21	32	43	40	14	19	16	21
	Taiwan	39	38	22	31	41	34	23	28	30	32
Regional Avg. (unweighted)		19	21	16	28	47	42	12	17	21	26

(Table 2 continued, next page)



**TABLE 2 (continued)**  
**Entrepreneurial Perceptions for Women and Men in 67 Economies, Grouped by Geographic Region and Economic Development Level**

REGION	Economy	Sees Good Opportunities		Has Capabilities to Start		Fear of Failure for those Seeing Opportunities		Intend to Start in the Next Three Years (Non-Entrepreneurs)		Personally Knows an Entrepreneur	
		Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Europe: Developing	Bosnia and Herzegovina	17	22	40	58	26	28	20	24	24	35
	Croatia	14	20	35	53	39	34	17	22	19	28
	Estonia	40	51	35	52	39	31	14	20	34	41
	Hungary	11	11	30	50	35	33	9	17	24	32
	Latvia	34	32	38	50	44	29	19	26	30	35
	Lithuania	29	31	30	50	42	30	14	23	29	37
	Macedonia	29	32	46	64	43	36	23	33	24	38
	Poland	23	18	43	65	50	35	17	27	39	43
	Romania	31	42	29	48	45	38	20	35	24	37
	Russia	19	21	20	27	51	42	2	3	30	38
	Turkey	35	44	37	62	36	26	12	18	24	44
Regional Avg. (unweighted)		26	29	35	53	41	33	15	23	27	37
Europe: Developed	Austria	45	53	42	58	41	32	7	11	35	42
	Belgium	29	37	28	46	53	33	8	11	22	22
	Denmark	42	47	22	40	44	35	5	9	30	37
	Finland	56	54	28	40	44	29	5	11	39	45
	France	36	39	29	42	45	41	15	19	31	37
	Germany	33	39	29	45	50	35	4	8	22	27
	Greece	11	15	44	56	63	60	8	11	24	31
	Ireland	23	28	36	54	47	26	3	8	31	44
	Italy	17	22	25	35	56	59	9	13	16	24
	Netherlands	30	38	31	54	34	28	7	10	30	40
	Norway	57	71	23	45	44	36	3	8	28	42
	Portugal	14	18	40	54	46	39	12	17	22	29
	Slovakia	16	20	38	61	44	34	9	15	41	44
	Slovenia	16	23	41	61	33	23	11	16	35	44
	Spain	12	16	44	56	46	38	9	13	28	34
	Sweden	63	69	26	47	40	26	10	12	38	44
	Switzerland	36	36	29	46	44	22	5	10	24	41
	United Kingdom	28	37	37	57	40	33	7	13	25	35
Regional Avg. (unweighted)		31	37	33	50	45	35	8	12	29	37
United States	United States	40	47	47	65	35	30	10	15	25	32
Israel	Israel	30	32	22	37	52	41	11	15	25	32

## APPENDIX

**TABLE 3**  
**Necessity and Opportunity Motives for Women and Men Entrepreneurs (TEA) in 67 Economies, Grouped by Geographic Region and Economic Development Level**

REGION	Economy	Necessity-Motives (% TEA)		Opportunity-Motives (% TEA)	
		Female	Male	Female	Male
Sub-Saharan Africa	Angola	27	20	71	77
	Botswana	38	29	60	68
	Ethiopia	23	18	77	81
	Ghana	31	23	68	75
	Malawi	51	34	49	66
	Namibia	43	32	56	65
	Nigeria	37	32	63	68
	South Africa	39	27	61	70
	Uganda	47	45	51	55
	Zambia	36	29	64	71
<b>Regional Average (unweighted)</b>		<b>37</b>	<b>29</b>	<b>62</b>	<b>70</b>
Middle East/North Africa/South Asia	Algeria	29	31	64	63
	Egypt	31	34	30	41
	Iran	38	43	62	56
	Pakistan	72	52	22	47
	Palestine	59	38	41	62
	Tunisia	28	39	69	56
	<b>Regional Average (unweighted)</b>		<b>43</b>	<b>39</b>	<b>48</b>
Latin America/ Caribbean	Argentina	46	27	54	73
	Barbados	13	12	86	88
	Brazil	36	24	63	75
	Chile	27	10	72	90
	Colombia	15	10	84	90
	Costa Rica	23	18	77	79
	Ecuador	41	29	59	70
	El Salvador	42	28	57	69
	Mexico	14	13	85	85
	Panama	20	19	78	81
	Peru	26	21	70	78
	Trinidad & Tobago	22	10	74	90
	Uruguay	19	18	76	82
<b>Regional Average (unweighted)</b>		<b>27</b>	<b>18</b>	<b>72</b>	<b>81</b>
Asia Pacific: Developing	China	40	35	60	64
	Malaysia	14	12	86	88
	Thailand	21	11	77	88
	<b>Regional Average (unweighted)</b>		<b>25</b>	<b>19</b>	<b>74</b>
Asia Pacific: Developed	Japan	9	25	87	70
	Korea, Republic of	38	34	62	65
	Singapore	13	16	86	81
	Taiwan	15	20	85	80
	<b>Regional Average (unweighted)</b>		<b>19</b>	<b>24</b>	<b>80</b>
Europe: Developing	Bosnia and Herzegovina	61	57	36	42
	Croatia	38	33	62	66
	Estonia	18	18	79	79
	Hungary	38	28	57	70
	Latvia	27	25	71	73
	Lithuania	19	27	77	70
	Macedonia	62	47	36	52
	Poland	34	44	63	48
	Romania	13	29	87	70
	Russia	34	38	64	61
	Turkey	33	30	64	68
<b>Regional Average (unweighted)</b>		<b>34</b>	<b>34</b>	<b>63</b>	<b>64</b>

(Table 3 continued, next page)

**TABLE 3 (continued)**  
**Necessity and Opportunity Motives for Women and Men Entrepreneurs (TEA) in 67 Economies, Grouped by Geographic Region and Economic Development Level**

REGION	Economy	Necessity-Motives (% TEA)		Opportunity-Motives (% TEA)	
		Female	Male	Female	Male
<b>Europe: Developed</b>	Austria	15	8	78	84
	Belgium	14	19	86	73
	Denmark	9	8	88	91
	Finland	21	15	69	76
	France	21	16	79	82
	Germany	22	22	78	76
	Greece	40	25	60	75
	Ireland	27	29	71	71
	Italy	5	21	83	66
	Netherlands	6	9	82	85
	Norway	11	6	80	92
	Portugal	16	19	68	77
	Slovakia	36	36	63	64
	Slovenia	7	7	89	90
	Spain	31	23	67	75
	Sweden	7	7	88	85
	Switzerland	16	20	74	75
	United Kingdom	24	15	74	82
<b>Regional Average (unweighted)</b>		<b>18</b>	<b>17</b>	<b>76</b>	<b>79</b>
<b>United States</b>	United States	21	21	74	76
<b>Israel</b>	Israel	22	17	63	73

## APPENDIX

**TABLE 4**  
**Percentage of Women and Men New and Established Business Owners with No Employees in 67 Economies,**  
**Grouped by Geographic Region and Economic Development Level**

REGION	Economy	Percent New Business Owners With No Employees		Percent Established Business Owners With No Employees	
		Female	Male	Female	Male
Sub-Saharan Africa	Angola	4	4	16	8
	Botswana	48	37	53	19
	Ethiopia	45	35	39	32
	Ghana	68	48	61	53
	Malawi	84	79	79	67
	Namibia	7	5	13	0
	Nigeria	39	33	42	29
	South Africa	17	13	37	17
	Uganda	63	52	62	45
	Zambia	23	19	38	28
<b>Regional Average (unweighted)</b>		<b>40</b>	<b>32</b>	<b>44</b>	<b>30</b>
Middle East/North Africa/South Asia	Algeria	5	7	12	6
	Egypt	2	7	0	4
	Iran	23	31	57	34
	Pakistan	89	26	48	24
	Palestine	28	34	51	40
	Tunisia	42	12	30	19
<b>Regional Average (unweighted)</b>		<b>32</b>	<b>19</b>	<b>33</b>	<b>21</b>
Latin America/ Caribbean	Argentina	70	43	61	59
	Barbados	65	60	64	46
	Brazil	71	55	71	53
	Chile	47	19	37	23
	Colombia	39	35	47	17
	Costa Rica	54	41	73	55
	Ecuador	75	63	68	63
	El Salvador	45	32	44	36
	Mexico	29	22	16	15
	Panama	33	37	53	39
	Peru	28	23	39	29
Trinidad & Tobago	66	36	55	41	
Uruguay	48	34	24	24	
<b>Regional Average (unweighted)</b>		<b>52</b>	<b>38</b>	<b>50</b>	<b>38</b>
Asia Pacific: Developing	China	15	7	15	20
	Malaysia	25	25	31	16
	Thailand	71	55	70	67
<b>Regional Average (unweighted)</b>		<b>37</b>	<b>29</b>	<b>39</b>	<b>34</b>
Asia Pacific: Developed	Japan	36	19	36	25
	Korea, Republic of	27	13	14	16
	Singapore	24	9	6	7
	Taiwan	23	23	33	22
<b>Regional Average (unweighted)</b>		<b>28</b>	<b>16</b>	<b>22</b>	<b>18</b>
Europe: Developing	Bosnia and Herzegovina	30	13	16	12
	Croatia	0	0	6	0
	Estonia	41	6	20	26
	Hungary	28	18	10	34
	Latvia	18	11	17	13
	Lithuania	4	9	18	10
	Macedonia	10	17	13	15
	Poland	21	27	30	26
	Romania	14	8	38	10
	Russia	31	28	50	27
	Turkey	10	4	5	6
<b>Regional Average (unweighted)</b>		<b>19</b>	<b>13</b>	<b>20</b>	<b>16</b>

(Table 4 continued, next page)

**TABLE 4 (continued)**  
**Percentage of Women and Men New and Established Business Owners with No Employees in 67 Economies,**  
**Grouped by Geographic Region and Economic Development Level**

REGION	Economy	Percent New Business Owners With No Employees		Percent Established Business Owners With No Employees	
		Female	Male	Female	Male
Europe: Developed	Austria	37	25	38	27
	Belgium	0	36	32	20
	Denmark	40	30	48	28
	Finland	63	68	48	51
	France	41	32	33	22
	Germany	62	34	28	30
	Greece	33	32	32	33
	Ireland	47	64	41	40
	Italy	33	25	24	27
	Netherlands	57	52	47	40
	Norway	50	28	51	39
	Portugal	13	31	28	37
	Slovakia	20	24	16	27
	Slovenia	16	32	20	15
	Spain	54	58	48	47
	Sweden	27	39	39	17
	Switzerland	21	31	25	21
	United Kingdom	74	44	51	38
	<b>Regional Average (unweighted)</b>		<b>38</b>	<b>38</b>	<b>36</b>
United States	United States	39	31	40	25
Israel	Israel	26	13	15	6



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**Aguamarina, Chile**

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- To measure differences in the level of entrepreneurial activity between countries
- To uncover factors leading to appropriate levels of entrepreneurship
- To suggest policies that may enhance the national level of entrepreneurial activity.

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# About the Contributors

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Interspersed in boxes throughout this report are insights on various conditions, factors, policies and programs that impact women's entrepreneurship in 18 economies around the world. Special thanks go to the GEM team members who provided the information featured in these boxes: Majda Mujanovic and Ajka Barucic, GEM Bosnia-Herzegovina; Gianni Romani Chocce and José Ernesto Amorós, GEM Chile; Andrea Samaniego, GEM Ecuador; Mohammad Reza Zali and Leyla Sarfaraz, GEM Iran; Paula Fitzsimons, GEM Ireland; Ehud Menipaz, Yoash Avrahami and Miri Lerner, GEM Israel; S.S. Bahn and Yoosook Kim GEM Korea; Marcia Campos, Elvira Naranjo and Natzin Lopez, GEM Mexico; Anna Tarnawa and Dorota Weclawska, GEM Poland; Anna Pilkova and Zuzana Kovacicova, GEM Slovakia; Polona Tominic, Karin Sirec and Miroslav Rebernik, GEM Slovenia; Mike Herrington, South Africa; Ricardo Hernández Mogollón, Nuria Calvo, Maite Cancelo, Isabel Neira, Ruiz Navarro and Alicia Coduras, GEM Spain; Carin Holmquist, GEM Sweden; Dr. Pichit Akrathit, Dr. Koson Sappasert and Ulrike Guelich, GEM Thailand; Ru-Mei Hsieh, GEM Taiwan; Rebecca Namatovu and Sam Dawa, GEM Uganda.

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