



The State of the Women's Enterprise Support Sector 2006

The impact and profile of Prowess members

Executive Summary

Prowess has a dynamic and growing membership which is driving the growth of women's enterprise across the UK. In just 2 years the membership has become significantly more client and market focused.

Membership has grown by 60% since 2004 and the impact on business has increased too. Each year Prowess members support 108,000 women to start and grow businesses and support the launch of 16,000 women-owned businesses.

Not surprisingly Prowess members are very entrepreneurial. In an increasingly difficult public funding environment, the majority of members have significantly increased their share of commercial and other non-public sector income sources. In 2004 public sector income comprised 78% of members' income and it now comprises just 64%.

Members who are most optimistic about future growth prospects are those with the lowest proportion of public income (58%), comprising 52% members. The least optimistic are those members who are almost entirely dependent on public income sources (93%), comprising 7% members.

Market focus. Demographic segmentation of the customer base is now taken for granted and there is clear evidence members are targeting key groups more effectively. Almost all members now keep information on the gender of their clients (up to 94% from 80% in 2004) and those maintaining ethnicity information has more than tripled to 75% from 23% in 2004.

Quality matters. 29 Prowess members currently hold the Flagship Award for best practice in women's enterprise development and a further 51% of members surveyed would like to achieve the Flagship Award. Members are also highly committed to achieving several other quality standards.

The Glass Ceiling appears to exist within the women's enterprise support sector as much as it does in other business sectors. Women-led providers of enterprise support share the characteristics of women-owned businesses in

general, in that they are younger and smaller and less optimistic about growth prospects.

Public funding for women's enterprise support has declined sharply.

Key sources, which favoured women's development, such as the Phoenix Fund and SRB have been absorbed by the Regional Development Agencies, and despite policy initiatives to increase the women's enterprise focus of the RDAs, the number of Prowess members supported by them has declined from 44% in 2004 to just 26% in 2006.

A note on methodology: The impact of Prowess members has been quantified through the distribution and analysis of an online survey constructed using *Survey Monkey*. The survey was sent to the 158 Prowess members who deliver face-to-face business support services. 54 responded – a 34% response rate. The majority of questions were multiple choice tick-box and closed questions. The survey was distributed in October 2006 and analysed in December 2006.