

# CREATING CHANGE AND REALISING POTENTIAL

A MANIFESTO FOR  
WOMEN'S ENTERPRISE SCOTLAND

## UNLOCKING £17BN IN ECONOMIC GROWTH

Scotland has achieved a significant milestone – more women are starting businesses than men, with women comprising **54% of all new start-ups**.<sup>1</sup> This represents marked progress, yet we are failing to realise the economic impact of this achievement. The attrition rate amongst women-led start-ups is alarming. Systemic failures are now resulting in **70%** of these promising enterprises vanishing in the post-start-up phase. Women-led employer businesses are on a declining trend, down from a high of **23% in 2021** to just **16% today**.<sup>2</sup>

The economic cost of the status quo is staggering.

If Scotland matched the United States' success rate, where **39%** of businesses are women-led, we would unlock an estimated **£17bn** of annual economic contribution.<sup>3</sup> A sum which would wipe out two-thirds of our public spending deficit.

Entrepreneurship has the potential to be one of society's greatest levellers, yet its benefits are out of reach for many women in Scotland today. The choice before the Scottish Government is clear: continue the decades of investment in support systems delivering unfair, sub-optimal results, or implement the evidence-based solutions that can realise billions in economic contribution and position Scotland as a forward-thinking global leader in entrepreneurship.

<sup>1</sup> Women in Enterprise Cross-Party Group (26th February 2025)

<sup>2</sup> Longitudinal Small Business Survey 2021 and 2024: SME employers (businesses with 1 to 249 employees), UK Government Department for Business & Trade

<sup>3</sup> Study of Women in Enterprise, Women's Enterprise Scotland, (August 2025)

# THE CRISIS WE FACE

The data paints a stark picture of systemic support issues:

**70% attrition rate** for women-led businesses post-start-up<sup>4</sup>, up from 61% the previous year

Women-led employer businesses **declining to just 16%** of all employer businesses<sup>5</sup>

Fast-growth companies led by women **dropped from 12.9% to 9.2%** in one year<sup>6</sup>

**68%** of women entrepreneurs experiencing discrimination – double the rate from 2016<sup>7</sup>

“There is this constant idea that because I am a woman working “part-time” as a business owner that it isn’t serious.”

2025 WES Survey Respondent

## Financial Inequality Undermines Business Survival

The cost-of-business crisis has exposed and exacerbated existing inequalities:

- **78%** of women-led businesses **cannot recover increased costs**<sup>8</sup>
- **55%** are **depleting personal savings** to fund their businesses<sup>9</sup>
- **52%** are **making no pension provision**, threatening retirement security<sup>10</sup>
- Women received only **1.3%** of **equity investment** in 2025, despite leading 54% of start-ups<sup>11</sup>

<sup>4</sup> Calculation: 54% of startups are women-led (Business Gateway 2024 – 2025) and 16% of employer businesses are women-led (Small Business Survey 2024: Businesses with Employees), 54 businesses started, only 16 remain and 38 have been lost. Attrition rate is  $(38/54) \times 100\% = 70.37\%$

<sup>5</sup> Longitudinal Small Business Survey 2024: SME employers (businesses with 1 to 249 employees), UK Government Department for Business & Trade (September 2025)

<sup>6</sup> The Gender Index, MnAI (2025)

<sup>7</sup> Study of Women in Enterprise, Women's Enterprise Scotland (August 2025)

<sup>8</sup> ibid

<sup>9</sup> ibid

<sup>10</sup> ibid

<sup>11</sup> Annual Report, Invest in Women Taskforce (December 2025)

# THE CRISIS WE FACE

## Health and Wellbeing in Jeopardy

The human cost is considerable:

- **74%** report increased stress levels since becoming business owners<sup>12</sup>
- **All** of the successful women entrepreneurs in our focus group had experienced burnout<sup>13</sup>
- **39%** report declining physical health during business ownership<sup>14</sup>
- Mental health deterioration affects **32%** of women business owners<sup>15</sup>

## Historical Inequities Remain Unaddressed

The COVID-19 pandemic revealed and entrenched systemic inequalities:

Women-led companies received only **10.6% of business relief funds** despite comprising **15.4%** of all companies<sup>16</sup>

Self-employed women received **lower support payments** (£2,200 vs £3,100 for men)<sup>17</sup>

**No corrective action has been taken** to address these funding inequities.

“When raising the issue of discrimination, having our concerns sent on to the male member of staff with whom our concerns were about. Seeing resources being distributed across male led businesses but knowing that greater impact would be delivered if those resources actually reached the majority of women led businesses.”

**2025 WES Survey Respondent**

<sup>12</sup> Study of Women in Enterprise, Women's Enterprise Scotland (August 2025)

<sup>13</sup> Ibid

<sup>14</sup> Ibid

<sup>15</sup> Ibid

<sup>16</sup> Analysis of Covid-19 Grants, WES and mnAI (August 2021)

<sup>17</sup> Gender Differences in Access to Coronavirus Government Support, Women's Budget Group (2021)



# OUR VISION FOR SCOTLAND

## **We envision a Scotland where:**

- **Women-led businesses thrive, and make a proportionate contribution to economic growth**
- **Equal access to funding and support is a reality, not an aspiration**
- **Discrimination is eliminated through raising awareness, robust reporting, and accountability mechanisms**
- **Scotland is a global leader in women's entrepreneurship, following the success of the United States and Canada**



# 5

## PRIORITIES FOR TRANSFORMATION

### 1: CREATE A SUSTAINABLE ENTREPRENEURIAL PIPELINE

#### Establish Five Women's Business Centres by 2028

In 2021, the Scottish Government made a £50m commitment to a Women's Business Centre model and that commitment needs to be activated. A network of Women's Business Centres spread across Scotland will provide specialist, women-centric support from ideation through to growth. Tailored support is vital to address the increasing attrition rate for women-led start-ups and enable more growing, sustainable businesses.

#### KEY ACTIONS:

- Strategic multi-year funding commitment for the centres to 2035
- Certified advisers with lived experience of business start-up and growth
- £2.5m funding for growth programmes targeting mid-stage businesses
- Collaborative partnerships with specialist women-centric organisations
- Digital and in-person service delivery to optimise reach and accessibility



“I was in a networking group with pretty established businesses... Members were 50:50 male and female-owned businesses. It became a joke, because EVERY TIME a male-owned company applied for funds,... they got the money. EVERY TIME a female-owned business asked, they got nothing. Everyone was laughing as it was SO obvious... but honestly not funny.”

**2025 WES Survey respondent**

## **2. STRENGTHEN FINANCIAL SUPPORT & ACCESS TO FUNDING**

### **Create Capacity for £20m Equity Investment**

Structural inequalities in funding access require immediate intervention. We call for a dedicated equity investment capacity of £20m to be created to realise high-growth potential.

#### **Key Actions:**

- Public and private sector collaboration on identifying and delivering a £20m investment mechanism by 2027
- 40% women representation on all public investment committees by 2027
- £2m accessible funding programme through micro-grants, small loans, and crowdfunding
- Mandatory equality impact assessments on 100% of public funding programmes by June 2027



“Too often it is assumed that a woman is only running a business for ‘pin money’ rather than as a serious business to provide a service and earn income.”

**2025 WES Survey respondent**

### 3. ENHANCE SOCIAL SUPPORT & TACKLE STRUCTURAL INEQUALITIES

#### **Unlock Women's Economic Potential**

The unequal distribution of unpaid care work remains the greatest structural barrier to women's business growth. This care penalty- combined with a doubling of experiences of discrimination to an alarming 68%<sup>18</sup> - creates compounding disadvantages. Direct policy intervention is required to address both the practical burdens of care and the discriminatory practices that persist in business environments.

#### **Key Actions:**

- Provide accessible eldercare and accessible childcare for pre-school and school-age children.
- Introduce automatic pension enrolment for self-employed women to address long-term financial security gaps created by interrupted careers
- Establish an accessible business discrimination reporting mechanism by December 2026, supported by clear behavioural guidelines for all publicly funded business activities

<sup>18</sup> Study of Women in Enterprise, Women's Enterprise Scotland (August 2025)



“Net zero and digital transformation are behaviour change solutions - and women are proven change agents. Research shows greater female leadership directly corresponds with lower CO<sub>2</sub> emissions. Yet access to transition funding remains structurally harder for women.”

**Wendy White-Finnigan CEng FICE**

## 4. BOOST DIGITAL & NET ZERO ADOPTION

### **Prevent Women Being Left Behind**

Scotland's digital and environmental transition risks excluding women-led businesses due to awareness gaps and accessibility barriers.

### **Key Actions:**

- Dedicated outreach programmes for Scottish Government digital and AI funded activity
- Bespoke digital opportunity training for 200 women-led businesses by 2027
- 50% of net zero funding to reach women-led businesses by 2030
- Reciprocal relationships between funders and Women's Business Centres



“For decades, women business owners have highlighted the entrenched barriers they face. By taking a data-led approach, we can be confident our policies and practices are optimised for growth, boosting the economy and delivering a strong return on investment.”

**Carolyn Currie MBE**

## 5. COMMIT TO DATA-LED POLICY MAKING

### End the Data Deficit

Policy decisions benefit from comprehensive, published, gender-disaggregated data to ensure effective resource allocation and return on investment.

### Key Actions:

- Mandate gender-disaggregated data collection and publication for 100% of public sector funding for businesses
- Comprehensive data dashboard tracking women's business outcomes
- Published annual impact assessments of policy interventions
- Longitudinal research on business sustainability factors

# THE ECONOMIC IMPERATIVE

The evidence from global leaders is overwhelming. Nations including the United States and Canada are demonstrating that supporting women's entrepreneurship delivers exceptional economic returns:

- **US women-owned businesses** are growing, adding \$579.6bn in revenue and 1.4 million jobs between 2019-2023<sup>19</sup>
- **Stable policy frameworks** across successive governments ensure sustained growth.
- **Specialist women-centric** support delivers significantly better success rates than mixed-sex programmes.

In contrast, Scotland's women-led employer businesses are declining, dropping from 23% in 2021 to just 16% today<sup>20</sup> and the post start-up rate of attrition has increased to 70%.

If Scotland grew its proportion of women-led businesses to the 39% already achieved by the US, an estimated £17bn would be added to our economy every year<sup>21</sup>. A huge economic prize.

<sup>19</sup> The 2024 Impact of Women-Owned Businesses, Wells Fargo (2024)

<sup>20</sup> Longitudinal Small Business Survey 2021 and 2024: SME employers (businesses with 1 to 249 employees), UK Government Department for Business & Trade

<sup>21</sup> Study of Women in Enterprise, Women's Enterprise Scotland (August 2025)

# THE TIME FOR ACTION IS NOW

The Scottish Government has made commitments to:

- **Inclusive economic growth**
- **Gender equality**
- **Women's entrepreneurship support**

These commitments currently lack the action needed to achieve transformational change. The £50m Women's Business Centre commitment made in 2021 remains undelivered. The inequities from COVID-19 business relief remain unaddressed. The discrimination crisis continues to worsen and the post start-up attrition rate for women-led businesses continues to increase.



## WE CALL FOR:

1. Immediate activation of the £50m Women's Business Centre commitment with a clear delivery timeline.
2. Emergency funding to remediate the Covid-19 inequalities and help address the post start-up attrition crisis for women-led businesses.
3. Mandatory equality impact assessments and training on all existing and future business support programmes.
4. Cross-party commitment to sustained, multiyear funding beyond electoral cycles.

# CONCLUSION: SCOTLAND'S CHOICE

**Scotland can choose to remain a nation where talented women are encouraged to start businesses, only to see them struggle to become established and close due to systemic barriers. Or, Scotland can take action, harness its vast resource of business talent and increase economic growth. Significant progress is clearly possible, as evidenced by comprehensive research, economic benefits and the ongoing success of leading nations.**

No nation can afford to squander the business talent of 51% of its population. It's time to dismantle discriminatory barriers, and to provide fair and proportionate access to resources. Women-led businesses have demonstrated their ambition to grow; we now need to create the support environment to realise that ambition.

**Moving on from words.**

**Creating change and realising potential.**

**The time is now.**



**WOMEN'S**  
ENTERPRISE SCOTLAND

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