

INDIGENOUS WOMEN ENTREPRENEURS IN CANADA

Summary of Literature Review



NACCA



July 2020
Prepared by: Helen Bobiwash
FCPA, FCMA, CAFM



TABLE OF CONTENTS

Section 1: Executive Summary	5
Section 2: Background	7
2.1 National Aboriginal Capital Corporations Association	7
2.2 Indigenous Women Entrepreneurship Project	7
Section 3: Purpose of Literature Review	9
Section 4: Summary of Findings	11
4.1 Resource Guides	11
4.2 Secondary Research	14
4.2.1 Profile of Indigenous Women’s Entrepreneurship	16
4.2.2 Challenges Overcome by Indigenous Women Entrepreneurs	20
4.2.3 Return on Investment in Indigenous Women Entrepreneurs	21
4.2.4 Common Recommendations	22
4.3 Recommendations to NACCA and the AFIs	22
Section 5: Conclusion	24
Appendix A: Summary of Resource Guides	25
1. A Guide for Inuit Women Interested in Building Their Own Business, 2013	25
2. Journey to Success – Aboriginal Women’s Business Planning Guide, 2004	27
3. Welcome to Mentorship: A Model for Inuit Women, 2017	29
4. Toolkit for Women Entrepreneurs, 2018	32
5. The Aboriginal Entrepreneurship Toolkit, 2015	34
6. Ulnooweg Business Assessment Toolkit, 2017	36
7. Ulnooweg Business Plan Template, 2017	38
Appendix B: Research Reports on Indigenous Women Entrepreneurship	40
1. Entrepreneurship among First Nation Women in the Atlantic Region, 2013	40
2. Creating a New Narrative: Empowering Indigenous Women Through Entrepreneurship, 2017	42
3. Barriers to Success for Indigenous Female Entrepreneurs in Cape Breton – Unama’ki, 2020	44
4. Indigenous Business Women	47
5. Strengthening Métis Women Entrepreneurship, 2012	49
Appendix C: Research Reports on Indigenous Entrepreneurship	52
1. Research Module 1: Aboriginal Entrepreneurship in Canada, 2014	52
2. Research Module 3: Barriers to Aboriginal Entrepreneurship and Options to Overcome Them, 2017	54
3. Promise and Prosperity, The 2016 Aboriginal Business Survey	56
Appendix D: Research Reports on Women Entrepreneurship	59
1. A Force to Reckon With: Women, Entrepreneurship and Risk, 2016	59
2. Everywhere, Everyday Innovating. Women Entrepreneurs and Innovation, 2018	61
3. The State of Canadian Women’s Entrepreneurship, Report Summary, 2019	64
4. Women Entrepreneurship in Canada, 2018	66
5. Women-owned Enterprise in Canada, 2018	69

Acknowledgments

The National Aboriginal Capital Corporations Association would like to acknowledge and thank the Women Entrepreneurship Strategy Ecosystem Fund administered by the Federal Economic Development Agency for Southern Ontario for providing the funding that made this research possible.

Gratitude is also extended to the following individuals for sitting on the Indigenous Women Entrepreneurship Working Group and providing invaluable input that enriched this study.

Indigenous Women Entrepreneurship Working Group

Rob Rollingson

Indian Business Corporation
Alberta

Narinder Singh

Indian Business Corporation
Alberta

Carol Johnston

Southeast Resource Development
Council Corporation
Manitoba

Elaine Chambers

Däna Näye Ventures
Yukon

Arlene Blanchard-White

Ulnooweg Development Corporation
Nova Scotia

Matt Tapper

Ulnooweg Development Corporation
Nova Scotia

Pam Larson

Clarence Campeau Development Fund
Saskatchewan

Monica Brunet

Clarence Campeau Development Fund
Saskatchewan

Al Little

Nuu-Chah-Nulth Economic
Development Corporation
British Columbia

Robin Wozney

First Peoples Economic Growth Fund
Manitoba

Ian Cramer

First Peoples Economic Growth Fund
Manitoba

Tiffany Monkman

First Peoples Economic Growth Fund
Manitoba

National Aboriginal Capital Corporations Association

Magnolia Perron

Indigenous Women and
Youth Program Officer

Gerry Huebner

Chief Strategy Officer

Helen Bobiwash

FCCA, FCMA, CAFM

1 EXECUTIVE SUMMARY

The National Aboriginal Capital Corporations Association (NACCA) works with a network of Aboriginal Financial Institutions (AFIs) across Canada to stimulate economic growth for First Nations, Métis and Inuit people. Inequities have been found in the access of programs and services by Indigenous women entrepreneurs and Indigenous men entrepreneurs. Among the network of 59 AFIs:

- only 4 of the 59 AFIs have some form of supports in place to specifically support Indigenous women;
- 22% of the businesses supported through the AFI network are led by Indigenous women; and
- 17% of AFI loan proceeds are going to businesses led by Indigenous women.

It is important for NACCA and the AFI network to invest in Indigenous women entrepreneurship and provide the tools and supports to address the inequities for the following reasons:

1. Indigenous women entrepreneurs are a key segment of the AFI market. It is prudent for AFIs to diversify their investment portfolios by increasing the number of Indigenous women entrepreneurs to whom they are lending.
2. Indigenous women entrepreneurs generate wealth, create job, training and education opportunities, and become role models within the local communities.

3. It demonstrates NACCA and the AFI networks' commitment, as Indigenous organizations, to respond to the calls to action by the Truth and Reconciliation Commission (TRC) and the National Inquiry into Murder and Missing Indigenous Women and Girls (MMIWG).

In 2019, NACCA launched an Indigenous women entrepreneurship initiative to raise awareness and increase the number of Indigenous women engaging in entrepreneurship and business development in Canada. This literature review on Indigenous women entrepreneurship is the 1st step for the initiative. The 2nd step for the initiative is the National Indigenous Women Entrepreneurship Survey. The survey results can be found in Indigenous Women Entrepreneurs in Canada, Summary of National Survey Findings Report.

The primary and secondary research will inform the development of the following tools and resources for Indigenous women entrepreneurs:

- self-assessment quiz for Indigenous women entrepreneurs
- business planning guide for Indigenous women entrepreneurs
- microbusiness planning guide
- financial literacy workbook for Indigenous women entrepreneurs
- AFI workshop for Indigenous women entrepreneurs

The literature review involved a semi-systematic review of 7 resource guides and 13 research reports relevant to Indigenous women entrepreneurs. Findings from the literature review include the following:

1. Promising practices identified among resource guides include the use of role models, situational relevance, cultural/ relevance and reflective activities.
2. Incorporate content within resource guides such as statistics, acknowledgement of barriers, benefits of entrepreneurship, sample business plan, templates, practical business information and direction to support services.
3. Gaps identified among the resource guides include reasons why businesses fail, importance of having financial skills and training, information about Canada Revenue Agency and tax implications, impacts of the *Indian Act*, and benefits of working on your own business plan.
4. Secondary research affirmed that the number of Indigenous women entrepreneurs is increasing, Indigenous entrepreneurs are primarily aged 25 to 54, the majority of Indigenous women entrepreneurs are small, microbusinesses, and women are motivated to start a business for greater control over their lives.
5. A gender gap exists between Indigenous women and men entrepreneurs. Challenges overcome by Indigenous women entrepreneurs include lack of access to financing, difficulty balancing between business, family and community responsibilities, sexism, lack of support and training and the *Indian Act*.

6. The returns on investment in Indigenous women entrepreneurs include income for lenders, financial self-sufficiency, job creation, increased self-esteem and contributions to the community.

Recommendations to NACCA and the AFIs, resulting from the literature review, include the following:

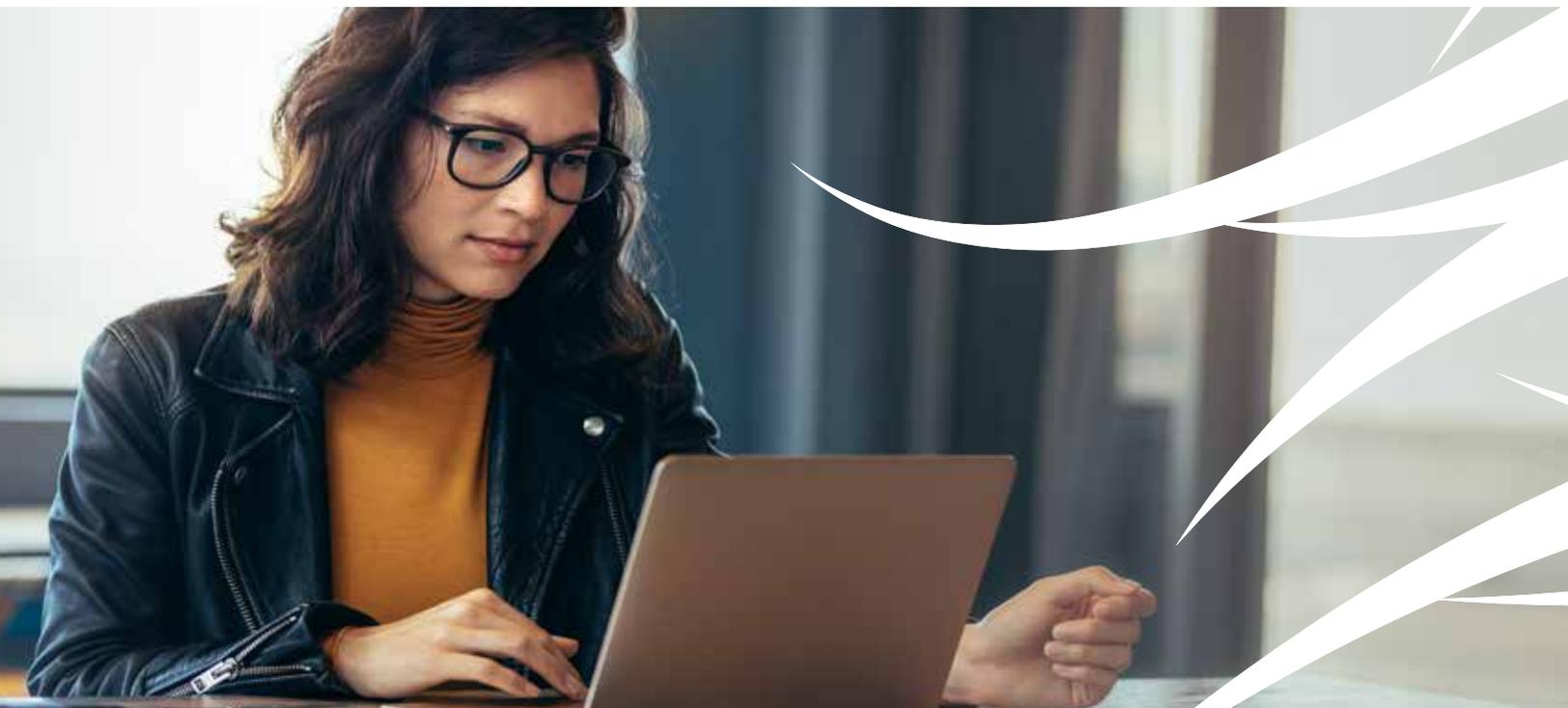
1. Involve the following parties in the development of tools and resources:
 - a. AFI Economic Development Officers who work directly with Indigenous women entrepreneurs daily and who will be implementing the tools with their clients; and
 - b. Indigenous women entrepreneurs who will be using the resources.

2. Develop tools and resources for Indigenous women entrepreneurs that:

- a. Provide background information for Indigenous women entrepreneurs to understand the purpose of tools and resources;
 - b. Reflect the diversity of Indigenous communities, people and women within the tools and resources;
 - c. Reflect Indigenous women's circumstances;
 - d. Use activities, templates and examples within the resources; and
 - e. Include directories of practical business information and services available.
3. Monitor outcomes from the use of tools and resources to

understand how they are supporting Indigenous women entrepreneurship.

4. Use the Gender-based Analysis Plus (GBA+) tool to assess how programs, policies and initiatives affect Indigenous women entrepreneurs.
5. Conduct additional, ongoing research to enrich the data gathered in the literature review by:
 - a. Increasing secondary research to include international resource guides and research reports relevant to Indigenous women entrepreneurs; and
 - b. Increasing primary research on Indigenous women entrepreneurship in Canada.



2 BACKGROUND

2.1 National Aboriginal Capital Corporations Association

The National Aboriginal Capital Corporations Association (NACCA) is a Canada-wide network of Aboriginal Financial Institutions (AFIs) dedicated to stimulating economic growth for First Nations, Métis and Inuit people by promoting and underwriting Indigenous business development. NACCA has a 20-year history in developing the capacity of its AFI members. Its mission is “to serve as the voice of Aboriginal Financial Institutions and as a national advocate for Aboriginal business development”.

The AFI network is dedicated to meeting the developmental lending needs of Indigenous entrepreneurs and communities. Within the continuum of lenders that provide loans to Indigenous entrepreneurs and businesses, AFIs are unique for their grassroots connections with the communities they serve. With over 45,000 loans totalling over \$2.6 billion, the AFI network plays a critical role in the Indigenous entrepreneurship ecosystem by filling the financing gaps that Indigenous entrepreneurs continue to face. In addition to loans, clients can access supports such as non-repayable contributions, management consulting, training and business support and aftercare services. NACCA serves the network by advocating on behalf of its members, and by providing them with capacity development, capital and program funding.

2.2 Indigenous Women Entrepreneurship Project

Entrepreneurship is a promising pathway for Indigenous women to enrich their lives, strengthen their families and participate in the development of their communities. Entrepreneurship is an opportunity to raise their family’s quality of life.

Indigenous people overcome significant barriers to achieve success in business development, including:

- *Indian Act* legislation impedes business development on-reserve
- inability to qualify for a loan from mainstream financial institutions due to lack of collateral/equity
- lack of credit history
- lack of education
- limited access to markets in rural and remote areas

Indigenous women face additional challenges to pursuing entrepreneurship. These include:

- lack of financial resources or assets to start/expand a business
- lack of financial literacy
- lack of personal confidence
- lack awareness of resources available and opportunities in their communities
- lack of programs/support specifically targeting Indigenous women
- inability to work full time in their business
- systemic barriers to accessing male-dominated fields

AFIs are a critical part of the Indigenous entrepreneurship ecosystem. However, there are inequities in the AFI services provided to Indigenous women in

Canada. This is evidenced by the following:

- only 4 of the 59 AFIs have some form of supports in place to specifically support Indigenous women;
- 22% of the businesses supported through the AFI network are led by Indigenous women; and
- 17% of AFI loan proceeds are going to businesses led by Indigenous women.

In the last 5 years, two important inquiries into the experiences of Indigenous people in Canada were concluded. Over 6 years, the Truth and Reconciliation Commission (TRC) listened to the experiences of residential school survivors to create a historical account of the residential schools, help people heal and encourage reconciliation between Indigenous and non-Indigenous people in Canada. Over 2 years, the National Inquiry into Missing and Murdered Indigenous Women and Girls (MMIWG) listened to families’ stories and gathered testimony from knowledge keepers and experts to examine the systemic causes of violence against Indigenous women and girls. The TRC released its reports in 2015. The National Inquiry into MMIWG released its report in 2019. Both reports issued calls to action pertaining to equitable access to economic opportunities by Indigenous women. The TRC issued Call to Action #92, Business and Reconciliation, to “ensure that Aboriginal peoples have equitable access to jobs, training, and education opportunities in the corporate sector...” The National Inquiry into

MMIWG issued Call #4.2 for all “governments to recognize Indigenous Peoples’ right to self-determination in the pursuit of economic social development. All governments must support and resource economic and social progress and development on an equitable basis...”

It is important for NACCA and the AFI network to invest in Indigenous women entrepreneurship and provide the tools and supports to address the inequities for the following reasons:

1. Indigenous women entrepreneurs are a key segment of the AFI market. It is prudent for AFIs to diversify their investment portfolios by increasing the number of Indigenous women entrepreneurs to whom they are lending.

2. Indigenous women entrepreneurs generate wealth, create job, training and education opportunities, and become role models within the local communities.
3. It demonstrates NACCAs and the AFI networks’ commitment, as Indigenous organizations, to respond to the calls to action by the TRC and National Inquiry into MMIWG.

In 2019, NACCA launched an Indigenous women entrepreneurship initiative aimed at increasing the number of Indigenous women engaging in entrepreneurship and business development in Canada. The project involves:

1. Develop capacity at NACCA headquarters to provide leadership in Indigenous women’s entrepreneurship.

2. Develop tools and supports for Indigenous women to undertake entrepreneurship or build or grow a business.
3. Increase capacity of AFIs to support the needs of Indigenous women entrepreneurs.

NACCA is implementing the initiative under the guidance of a working group comprised of AFI representatives from across Canada. Their experience working with Indigenous women entrepreneurs is valued in providing direction toward achieving initiative outcomes.

This literature review is a foremost step in examining the needs of Indigenous women entrepreneurs to develop capacity and resources to meet initiative goals. It is supported by primary research gathered from Indigenous women entrepreneurs through a national online survey.



3 PURPOSE OF LITERATURE REVIEW

This literature review was conducted to assess existing data to examine the documented gender gaps in Indigenous entrepreneurship and the needs of Indigenous women entrepreneurs.

A semi-systematic review of literature was conducted to identify recurring themes pertaining to Indigenous women entrepreneurs. The findings will inform the development of tools and resources and capacity development among AFIs to support Indigenous women entrepreneurs.

The following process was used to identify literature to include in the review:

1. NACCA identified documents relevant to the initiative. These documents included resource guides for Indigenous women entrepreneurs and research reports on women entrepreneurship.
2. The researcher conducted a rapid review of literature available through an Internet search to identify other relevant research.

Indigenous women entrepreneurs are a part of two specific populations, Indigenous people and women. As a result, the review of research reports includes an analysis of:

1. Indigenous women entrepreneurship
2. Indigenous entrepreneurship
3. Women entrepreneurship

The literature review included the documents listed in Table 1 below.

Table 1

Resource Guides for Indigenous Women Entrepreneurs	Research Reports on Indigenous Women Entrepreneurship	Research Reports on Indigenous Entrepreneurship	Research Reports on Women Entrepreneurship
<ol style="list-style-type: none"> 1. A Guide for Inuit Women Interested in Building Their Own Business 2. Journey to Success – Aboriginal Women’s Business Planning Guide 3. Welcome to Mentorship – A Model for Inuit Women 4. Toolkit for Women Entrepreneurs 5. The Aboriginal Entrepreneurship Toolkit 6. Ulnooweg Business Assessment Toolkit 7. Ulnooweg Business Plan Template 	<ol style="list-style-type: none"> 1. Entrepreneurship among First Nations Women in the Atlantic Region 2. Creating a New Narrative: Empowering Indigenous Women Through Entrepreneurship 3. Barriers to Success for Indigenous Female Enterprises in Cape Breton – Unama’ki 4. Indigenous Business Women 5. Strengthening Métis Women Entrepreneurship 	<ol style="list-style-type: none"> 1. Research Module 1, Aboriginal Entrepreneurship in Canada 2. Research Module 3, Barriers to Aboriginal Entrepreneurship and Options to Overcome Them 3. Promise and Prosperity, The 2016 Aboriginal Business Survey 	<ol style="list-style-type: none"> 1. A Force to Reckon With – Women, Entrepreneurship and Risk 2. Everywhere, Everyday Innovating: Women Entrepreneurs and Innovation 3. The State of Canadian Women’s Entrepreneurship 4. Women Entrepreneurship in Canada 5. Women-Owned Enterprises in Canada

There are limitations associated with the methodology used to complete the literature review. The findings must be assessed in terms of the limitations described below.

- The review of resource guides focussed on those published for Indigenous women in Canada. Two additional resource guides, produced by Ulnooweg Development Corporation, were for Indigenous people, but not specifically for women. No resource guides regarding mainstream entrepreneurship were reviewed.
- Two of the resource guides for Indigenous women targeted Inuit women in Canada. Resource guides targeted toward Métis or First Nation women entrepreneurs were not identified during the rapid review of literature.
- Only two resource guides developed by AFIs for their clients, Ulnooweg Development Corporation an AFI located in Atlantic Canada, were reviewed.

These guides were not specific to Indigenous women entrepreneurs. Many other AFIs have developed their own workbooks, templates or

checklists. It would be useful to explore whether AFIs have women-specific resources or whether their existing resources can be adapted for Indigenous women entrepreneurs.

- The review of research reports did not include international research pertaining to Indigenous women, Indigenous people or women. Nor did it include academic research. International and academic research could enrich the information on promising practices, challenges overcome by women and the return of investment.



4 SUMMARY OF FINDINGS

This literature review provides a synopsis of the documents, in the Appendices, pertaining to Indigenous women entrepreneurs in Canada. For each report, key sections have been highlighted as well as brief summaries of key points have been prepared. A summary of findings from the literature review is provided.

4.1 Resource Guides

There are numerous entrepreneurship guides and resources available for people who want to start a business. The literature focussed on the resource guides listed in Table 2 because they were targeted to

Indigenous people. All resource guides reviewed contained information useful to Indigenous women. Resources specifically targeted to Indigenous women contain relevant information, stories or examples that Indigenous women entrepreneurs can relate to.

The resource guide content varied depending on its purpose. For example, *Welcome to Mentorship – A Model for Inuit Women* focusses on the development of a group mentorship model for Inuit women. *Journey to Success – Aboriginal Women’s Business Planning* provides general information about starting

a business and a sample business plan for a bookkeeping service.

The amount of content also varied, as demonstrated by the varying number of pages. The *Toolkit for Women Entrepreneurs* is 87 pages, of which 21 pages showcase Indigenous women entrepreneurs, 13 pages feature information about the First Nations of Quebec and Labrador Economic Development Commission’s (FNQLEDC) services, and 12 pages feature a business planning guide. The *Ulnooweg Business Plan Template* contains a 5-page overview of business plan components.

Table 2

Name of Guide	Produced by	Year Released	Target Audience	# Pages
1. <i>Journey to Success – Aboriginal Women’s Business Planning Guide</i>	Government of Canada	2004	Aboriginal women	44
2. <i>A Guide for Inuit Women Interested in Building Their Own Business</i>	Pauktuutit Inuit Women of Canada	2013	Inuit women	30
3. <i>The Aboriginal Entrepreneurship Toolkit</i>	Native Women’s Association of Canada	2015	Indigenous women	66
4. <i>Welcome to Mentorship – A Model for Inuit Women</i>	Pauktuutit Inuit Women of Canada	2017	Inuit women	21
5. <i>Ulnooweg Business Assessment Toolkit</i>	Ulnooweg Development Group	2017	Indigenous people in Atlantic Canada	33
6. <i>Ulnooweg Business Plan Template</i>	Ulnooweg Development Group	2017	Indigenous people in Atlantic Canada	9
7. <i>Toolkit for Women Entrepreneurs</i>	First Nations of Quebec and Labrador Economic Development Commission (FNQLEDC)	2018	Indigenous women in business	87

Many of the resource guides were dated, stemming back to 2004. The latest, nationally produced, resource guide was issued in 2015. The latest regional guide for Indigenous women was produced in 2018. Some of the information is outdated and hyperlinks are not functional. This demonstrates the importance of maintaining up-to-date resources that are pertinent to the current economic climate and the need to maintain up-to-date hyperlinks.

Key messages for Indigenous women entrepreneurs that were found within the resource guides include the following:

- 1. Passion** - It is important for Indigenous women entrepreneurs to pursue a business they are passionate about and pick an appropriate business model. They must be committed and love what they are doing.
- 2. Support** – It is important for Indigenous women entrepreneurs to have a strong support structure to enable them to achieve their business dreams. This includes support from family, friends, local economic development officers and support agencies. A strong mentorship relationship will support Indigenous women to address challenges experienced in business.
- 3. Identity** – Regardless of the business operation, how they sell or trade their work or the size of their business, it is important for Indigenous women to see themselves as an entrepreneurs or businesswomen. Some Indigenous women do not identify themselves as entrepreneurs.

They may see themselves as “just making money for their family”.

4. Planning – Planning and communicating the business idea is important. A business model should be easy to explain. Investors want to know if they should invest in the business. A business plan will help the investor to decide.

5. Marketing – Marketing is important to grow the business. Marketing involves understanding the customers, promoting, advertising and selling the business’s products or services.

6. Online Presence – Online commerce is a useful business tool. Online operations can include websites, social media, online marketplaces and online banking. A business can sell to anyone, regardless of location, using online commerce. It is important for Indigenous women entrepreneurs to manage and track their online marketing and social media efforts.

7. Business Size – It is okay to start small. This could involve operating a part-time business or operating from home. Many Indigenous women start small and expand their business when they start showing a profit.

8. Contribution to Community – Indigenous women entrepreneurs support their community by creating jobs, being role models to others and providing guidance to other Indigenous women who aspire to starting a business.

Promising practices that were identified among the resource guides include:

1. Role Models – Several resources shared photos, quotations and stories of Indigenous women in business. Stories included information on how Indigenous women started their business, how they overcame challenges and their perspective on giving back to their community. These real-life examples demonstrate that Indigenous women can achieve business goals. They motivate the reader to pursue their dreams.

2. Situational Relevance – Resources that use situations relevant to the reader are helpful. For example, A Guide for Inuit Women Interested in Building Their Own Business referred to situations such as living in a hamlet or small community, traditional women’s activities and economic changes in Inuit Nunangat.

3. Culturally Relevant - Information that is relevant to the culture helps the reader to relate to the content and how it may apply to them. Indigenous communities across Canada have distinct cultures. Resources will be most helpful if they are relevant to the culture of the region.

4. Reflective Activities – Asking reflective questions, relevant to the content, and offering guidance to answer the questions, helps the reader to apply the information to their situation. Worksheets guide the completion of activities in a format that can be used within a business plan.

Useful content that was found in the resource guides includes the following:

1. Statistics – The provision of statistics can reinforce the benefit of Indigenous women becoming entrepreneurs.

2. Barriers – Acknowledging barriers to entrepreneurship, and offering suggestions/examples to overcome barriers, will help readers to problem-solve how to overcome barriers they may face.

3. Benefits – Highlighting the benefits of entrepreneurship can help to empower Indigenous women to become entrepreneurs.

4. Sample Business Plan – A sample business plan is helpful to demonstrate the information required in a business plan, including financial projections.

5. Templates – Templates, or activity sheets, are useful and provide formats in which to display information for an application, business plan or financial projections.

6. Practical Business Information – Entrepreneurs often need specific information pertaining to starting or operating their business. Providing

practical business information, such as picking a name, registering your business, hiring employees, worker safety or opening a bank account meets this need.

7. Directories – Directories of business services, financing and government registrations, with hyperlinks, are helpful. It will be essential to review and update the information regularly.

8. Direction to Support Services – Multiple references to a specific support organization within the resource can guide the reader to contact the organization for support.

Gaps in the resource guides include the following:

1. There was no indication why businesses fail. Examples provided throughout the resource guides were from successful entrepreneurs. There were no examples of entrepreneurs who tried and failed. There was no inquiry into the challenges faced and the reason(s) behind not having success.
2. Besides mentioning the importance of obtaining a good bookkeeper and/or accountant, the importance of having

financial skills and training was not identified.

3. Little information was provided about Canada Revenue Agency, tax implications and scenarios.
4. The resources did not identify the many impacts of the *Indian Act* on businesses operated on an Indian reserve.
5. There was no indication of the benefits of an entrepreneur attempting to and/or preparing their own business plan before seeking consulting support.
6. The terms market, marketing and marketing plan were used in different contexts. Some reports use the term to describe “advertising” and/or the “4 Ps”, others use it to describe the “consumer base”.
7. There was no information about whether resources are delivered online or in-person. Availability of resources online helps to overcome challenges associated with geographic distance from services and family responsibilities.

4.2 Secondary Research

The review of secondary research includes the research reports listed in Table 3. The participation of Indigenous women in entrepreneurship

is influenced by their presence in two demographic groups: Indigenous and women. Inequities exist for both women and Indigenous people, which compounds the issues for Indigenous women entrepreneurs.

Therefore, the literature review included secondary research on Indigenous women entrepreneurs, women entrepreneurs and Indigenous entrepreneurs in Canada.

Table 3

Research Report Name	Commissioned by	Year Released	Focus	Purpose
Indigenous Women Entrepreneurship Research				
1. Strengthening Métis Women Entrepreneurship	Women of the Métis Nation	2012	Métis women entrepreneurs	Understand the needs of Métis women entrepreneurs and whether they have accessed or benefitted from entrepreneurial support programs.
2. Entrepreneurship Among First Nation Women in Atlantic Region	Atlantic Policy Congress of First Nations Chiefs Secretariat	2013	First Nations Women in Atlantic Canada	Gain a deeper understanding of entrepreneurship for Aboriginal women to support effective policy design.
3. Creating a New Narrative: Empowering Indigenous Women Through Entrepreneurship	Indian Business Corporation	2017	Indigenous women in Alberta	Explore what it would take to ensure that every Indigenous woman in Canada had the opportunity to become an entrepreneur.
4. Barriers to Success for Indigenous Female Entrepreneurs in Cape Breton – Unama’ki	The Cape Breton Partnership	2019	First Nations women in Cape Breton - Unama’ki	Understand the barriers faced by Indigenous women in accessing the entrepreneur support system in Cape Breton - Unamaki.
5. Indigenous Business Women	Indian Business Corporation	2020	Indigenous women clients of Indian Business Corporation	Measure results of targeted programming toward Indigenous businesswomen and understand women’s loan behaviour and the services that helped them in their business success.

Table 3

Research Report Name	Commissioned by	Year Released	Focus	Purpose
Women Entrepreneurship in Canada				
6. A Force to Reckon With: Women, Entrepreneurship and Risk	Carleton University's Centre for Women in Politics and Public Leadership	2016	Women entrepreneurs and risk	Understand the link between risk and social and economic success by focussing on how female entrepreneurs calculate, assess and manage risk under changing conditions
7. Everywhere, Everyday Innovating. Women Entrepreneurs and Innovation	Carleton University's Centre for Women in Politics and Public Leadership	2018	Women entrepreneurs and innovation	Understand how and where women entrepreneurs are innovating and the factors that impact their innovation.
8. Women Entrepreneurship in Canada	Women Entrepreneurs Saskatchewan	2018	Women entrepreneurs in Canada and Saskatchewan	Understand the reasons for the low entrepreneurship rate of women and the hurdles women are facing in becoming entrepreneurs.
9. Women-owned Enterprise in Canada	Statistics Canada	2018	Women entrepreneurs in Canada	Provide insight into women-owned businesses and fill the statistics gap on businesses by gender.
10. The State of Canadian Women's Entrepreneurship in Canada	VISA Canada	2019	Women entrepreneurs in Canada	Understand what challenges and motivates women small business owners in Canada and identify ways to empower women to achieve greater success.
Aboriginal Entrepreneurship in Canada				
11. Research Module 1: Aboriginal Entrepreneurship in Canada	NACCA and Business Development Bank of Canada (BDC)	2017	Aboriginal entrepreneurs in Canada	Aboriginal Entrepreneurship in Canada Understand the landscape of Aboriginal entrepreneurship and the current financial services available to Aboriginal SMEs in Canada.
12. Research Module 3: Barriers to Aboriginal Entrepreneurship and Options to Overcome Them	NACCA and BDC	2017	Aboriginal entrepreneurs in Canada	Understand financial service preferences and financial barriers and unmet service needs of Aboriginal entrepreneurs and SMEs.
13. Promise and Prosperity, The 2016 Aboriginal Business Survey	Canadian Council for Aboriginal Business (CCAB)	2016	Aboriginal entrepreneurs in Canada	To address the data gaps pertaining to Aboriginal entrepreneurs.

The research that exists on Indigenous women entrepreneurship is primarily limited to regional reports. One national report focussed on Métis women; however, the research was dated. FNQLEDC completed a report on the Entrepreneurial Potential of Aboriginal Women in 2015. An inquiry was made with the organization to review a copy of this study. However, the organization is updating the report for the period of 2015 to 2019, and they preferred to wait until the new report was released. It is promising that regional organizations are investing in understanding the needs of Indigenous women entrepreneurs and the services that they are accessing.

Research on women’s entrepreneurship in Canada has been recently released. The literature review focussed on nation-wide research. Two reports, *Everywhere, Everyday Innovating and Women Entrepreneurship in Canada*, specifically mentioned the challenges faced by Indigenous women.

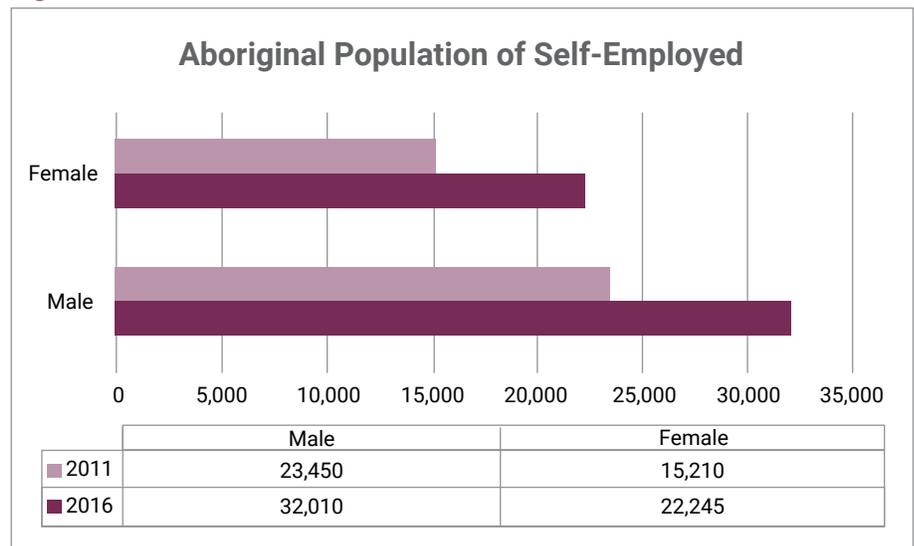
Research on Indigenous entrepreneurship is also limited. NACCA and the Business

Development Bank of Canada BDC commissioned a study by the Conference Board of Canada, in 2017. The literature review focussed on two modules of the NACCA/BDC study to provide information on Indigenous entrepreneurship. CCAB has conducted primary research, the Aboriginal Business Survey, that was completed in 2011 and 2016. Their latest report, *Promise and Prosperity*, is included in this literature review. The Aboriginal Business Survey is currently being updated, and the results are expected in late 2020.

4.2.1. Profile of Indigenous Women’s Entrepreneurship

Indigenous women are participating in entrepreneurship and their participation is growing. As Figure 1 indicates, the 2016 Census reported that 22,245¹ Indigenous women were self-employed. This is an increase of almost 46% from the 2011 National Household Survey that reported 15,210² self-employed Indigenous women. The growth of self-employed Indigenous women surpasses the growth of self-employed Indigenous men, which was only 37%.

Figure 1



¹ Statistics Canada, Aboriginal Population Profile, 2016 Census. (Ottawa, Statistics Canada, 2018).

² Statistics Canada, National Household Survey Aboriginal Population Profile, 2011 National Household Survey (Ottawa, Statistics Canada, 2014)

Most Indigenous business owners are middle-aged. As Figure 2³ illustrates, just over 30% of the Aboriginal self-employed are between the ages of 45 and 54 and another 24% are between the ages of 35 and 44 years. However, the Indigenous people who are self-employed exceeds the non-Indigenous self-employed.

The majority of Indigenous businesses operate as a sole proprietorship and are, therefore, small in scale. 73% of respondents in the 2016 Aboriginal Business Survey were unincorporated, operating as a sole proprietorship or partnership⁴. Women-owned businesses are often smaller than male-owned businesses⁵. CCAB's 2016 Aboriginal Business Survey confirms that the majority of Aboriginal businesses are home-based, more commonly operate off-reserve than on-reserve, or they are smaller companies without employees and with lower revenues⁶. As Figure 3 illustrates, majority female-owned businesses are likely to have 1 to 4 and 4 to 19 employees. The Atlantic Policy Congress of First Nations Chiefs Secretariat reported that 88% of Indigenous businesswomen responded that they considered themselves microbusinesses⁷. The Women of the Métis Nation reported that 69% of Métis women's businesses operate from home and almost all Métis women entrepreneurs operate microbusinesses⁸.

Figure 2 Aboriginal and Non-Aboriginal Self-Employment by Age, 2011

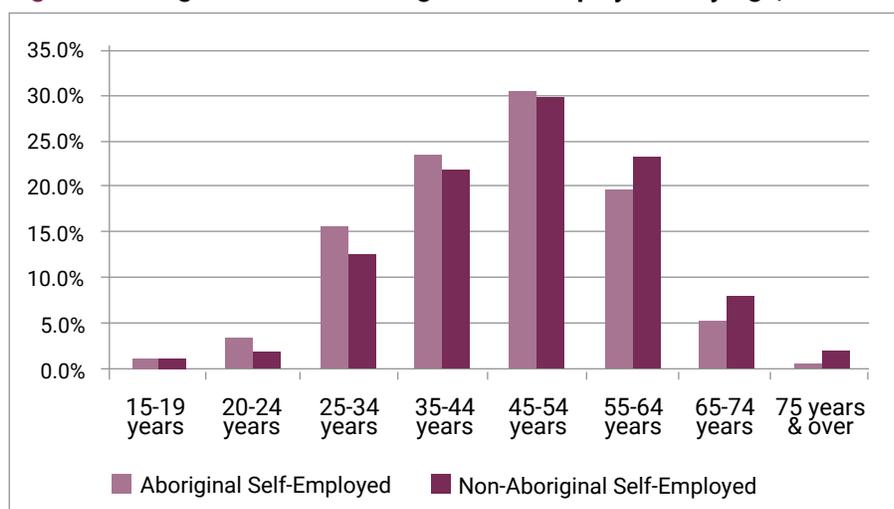
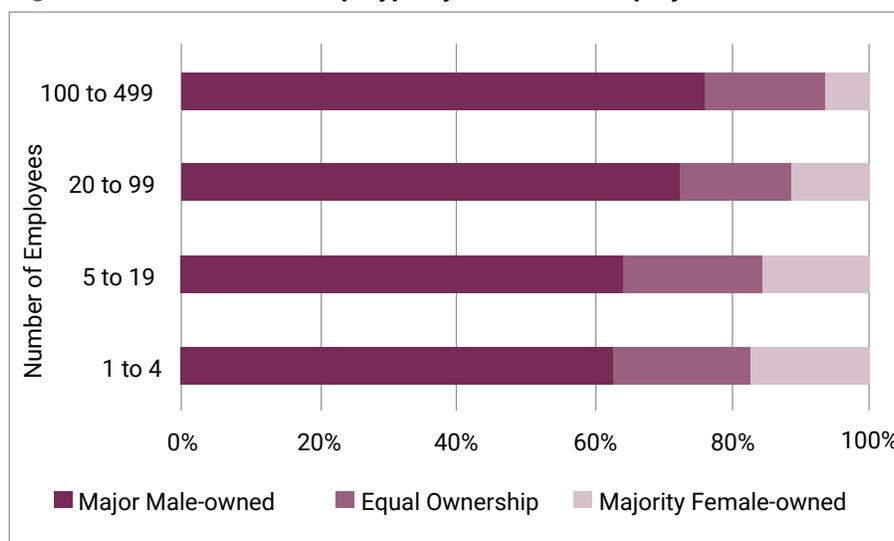


Figure 3 Business Ownership Type by Number of Employees⁹



³ Ibid

⁴ CCAB, Promise and Prosperity The 2016 Aboriginal Business Survey (Toronto, CCAB, 2016)

⁵ The Conference Board of Canada – Northern and Aboriginal Policy, Research Module 3: Barriers to Aboriginal Entrepreneurship and Options to Overcome Them, (Ottawa, NACCA, 2017)

⁶ CCAB, Promise and Prosperity

⁷ Diochon, Monica, Mathie, Alison, Alma Eileen, and Isaac, Sheila, Entrepreneurship among First Nations Women in the Atlantic Region (Dartmouth, Atlantic Policy Congress of First Nations Chiefs Secretariat, 2013)

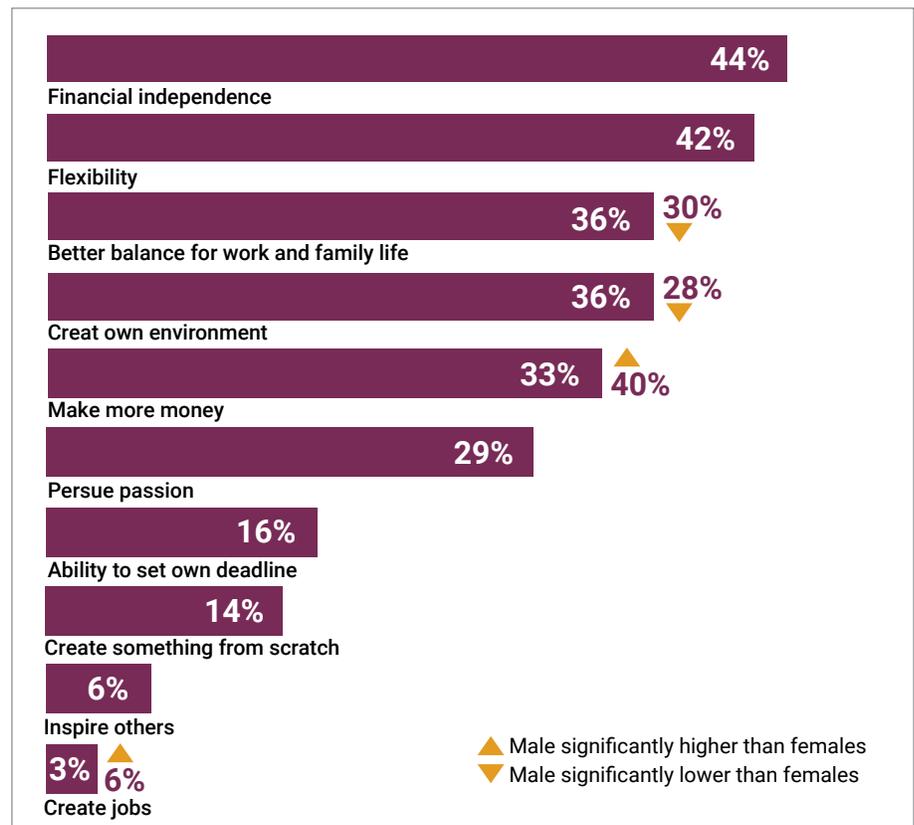
⁸ Paul Hanley Consulting, Strengthening Métis Women Entrepreneurship (Women of the Métis Nation, 2012)

⁹ Industry Canada, Survey on Financing and Growth of Small and Medium Enterprises. (2014, Industry Canada, Ottawa)

As Figure 4 indicates, women tend to start a business for increased control over their lives including financial independence, flexibility, better balance between work and family life, to create their own environment and to make more money¹⁰. The Atlantic Policy Congress on First Nations Chiefs Secretariat reports that Indigenous businesswomen developed their business idea as a result of skills, experience, need and/or opportunity in the marketplace and in response to a demand.

Lack of access to capital is a common theme throughout the literature. Women have trouble accessing business financing. As a result, many women self-fund their business enterprises. In the CCAB's 2011 Aboriginal Business Survey, 55% of respondents relied on personal savings as a main source of financing. Access to capital and access to financing were obstacles identified by the 2016 Aboriginal Business Survey¹¹. The Atlantic Policy Congress of First Nation Chiefs Secretariat reported that the primary source of start-up financing for First Nations women (60%) was personal savings. Further, 16% had no financing and 89% reported using no government or other programs to start-up¹².

Figure 4 Top Motivators for Starting a Business



¹⁰ VISA Canada, The State of Canadian Women's Entrepreneurship Report Summary (Toronto, VISA Canada, 2019)

¹¹ CCAB, Promise and Prosperity

¹² Diochon, et al, Entrepreneurship among First Nations Women

Figure 5 illustrates that, in Canada, the predominant industries occupied by women entrepreneurs are educational services, accommodation and food services, health care and social assistance and retail trade¹³. Among Indigenous women entrepreneurs, Figure 6 illustrates that the predominant industries occupied, in 2011, were health care and social assistance, other services and professional, scientific and technical services. The Indian Business Corporation reported the top 5 sectors occupied by Indigenous businesswomen clients are agriculture, energy, equipment, retail and construction. The Cape Breton Partnership reported that craft and design was the most common business industry followed by restaurant and catering. The Atlantic Policy Congress of First Nations Chiefs Secretariat reported that First Nations women predominantly operate in the arts, entertainment, accommodation, food and cultural industries. The differences in the predominant industry sectors reported within the Indigenous women entrepreneurship research is indicative of the reliance on local economies and industry sectors predominant within their regions.

Across the literature, Indigenous women entrepreneurs put their family first. Indigenous women’s role, as caregivers and nurturers to their families and those in need, can affect their business positively and negatively. Their family and household management responsibilities will compete for their time and attention with their business responsibilities.

Figure 5

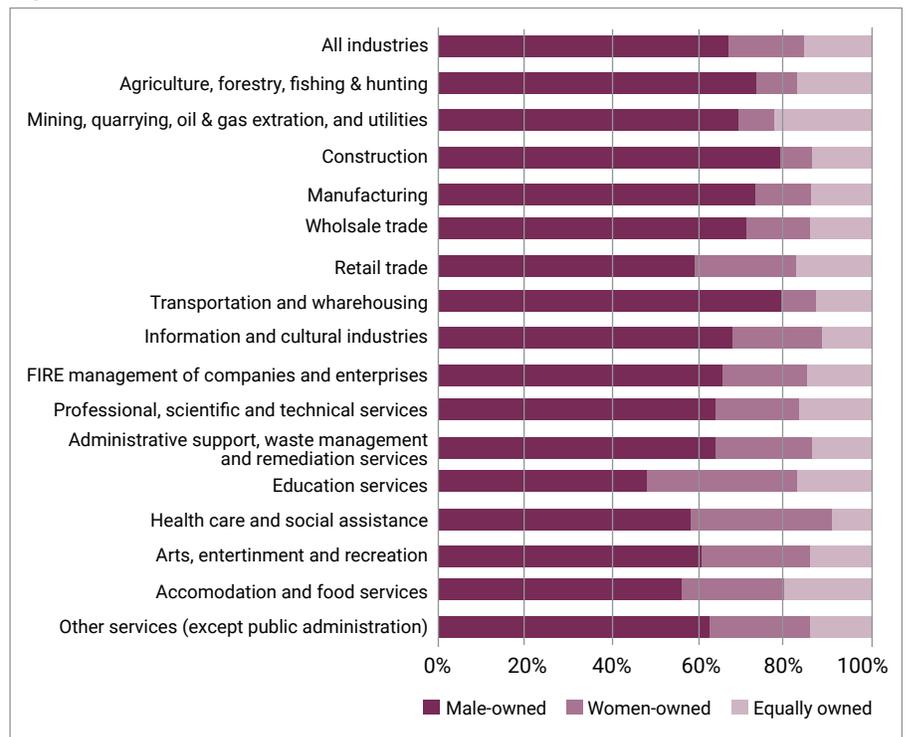
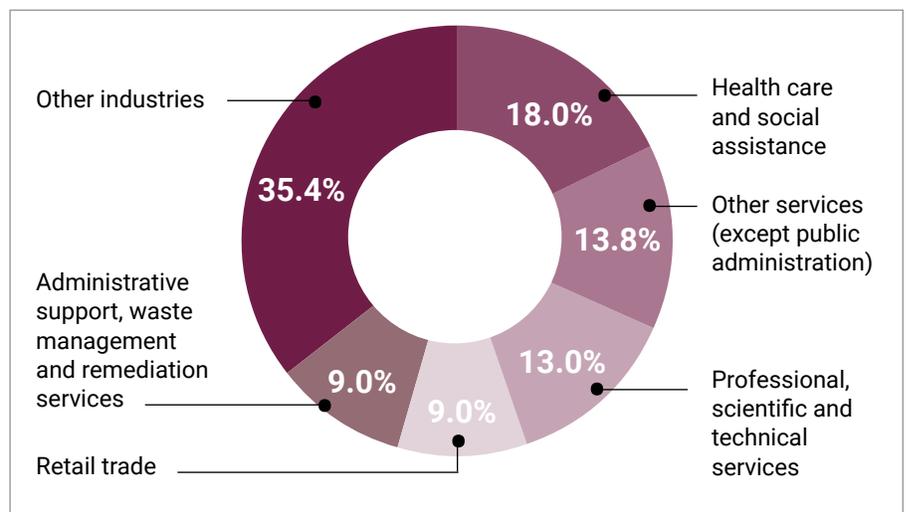


Figure 6 Female Aboriginal Self-Employed by Industry Classification, 2011¹⁴



¹³ Statistics Canada, Economic Insights: Women-owned Enterprises in Canada (Statistics Canada, 2018, Ottawa)
¹⁴ Statistics Canada, 2011 National Household Survey (Statistics Canada, 2014, Ottawa)

Some women have successfully incorporated their family life within their businesses. They have created opportunities to spend more time with their family by operating their business from home and employing family members.

4.2.2. Challenges Overcome by Indigenous Women Entrepreneurs

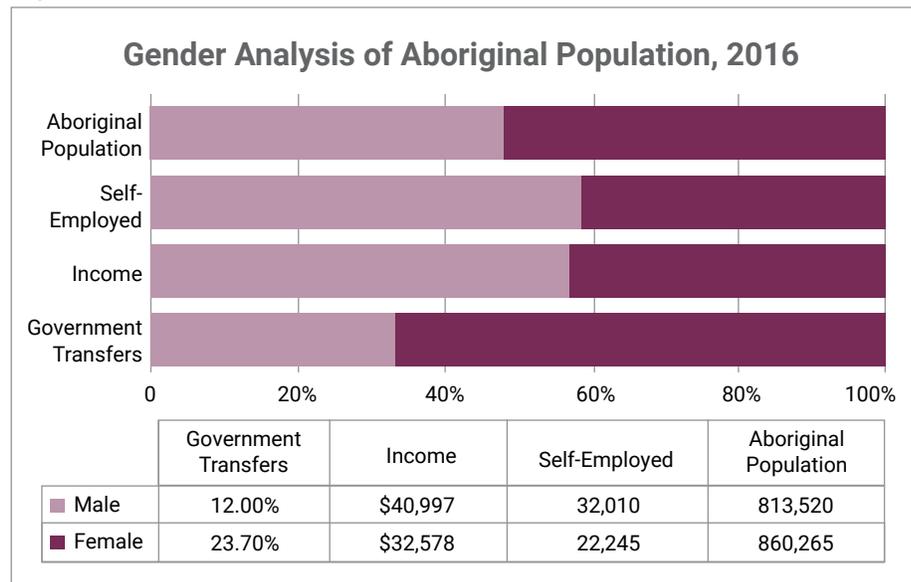
A gap exists between Indigenous men and women. Figure 7 illustrates that despite Indigenous women having a higher population (51% of the Aboriginal Population), their participation in self-employment (41%) is lower than Indigenous men (59%)¹⁵. Indigenous women's average income is also lower than Indigenous men. Their reliance on government transfer is almost double that of Indigenous men. This results in low savings/equity required to invest in business.

Challenges overcome by Indigenous women include the following:

1. Lack of access to financing –

There are multiple factors hindering Indigenous women's access to business financing. Eligibility requirements for equity investment, full-time involvement in the business, collateral, proven credit history, focus on resource sectors and lack of microloans are biased against Indigenous women. The reasons why some women self-fund their business

Figure 7



include lack of knowledge, lack of confidence to approach financing institutions and aversion to debt. This is compounded for Indigenous people by the limited banking services available within Indigenous communities, significant financial literacy challenges and use of fringe financial services.

2. Balance between business, family, and community responsibilities –

Indigenous women are the primary caregivers in their family. Many women are sole-parents, and some may be caregivers to grandchildren, parents or other family members. Some women also contribute to their communities in leadership and volunteer capacities.

Business management requires long hours, focus on the business operations and limited time off. With proper support, Indigenous women are able to manage their numerous personal responsibilities, their personal care and their business responsibilities.

3. Sexism and gender bias –

Indigenous women experience overt sexism. They are not taken as seriously as men are. They have expressed that men are favoured within their communities and receive preferential treatment. Gender bias hinders women from accessing traditionally male-dominated fields that are predominant in Alberta and in northern communities.

¹⁵ Statistics Canada, Aboriginal Population Profile. 2016 Census

4. Lack of support and training –

Indigenous women have expressed lack of support within their communities from Community Economic Development Officers, who are the primary entrepreneurship service providers within many communities, and from their Chief and Councils. They also lack knowledge in financial literacy, business planning, business regulations and business management. Workshops and courses are often underutilized by women likely due to the necessity for childcare, transportation and lack of knowledge about services available.

5. Indian Act – The *Indian Act* presents significant challenges to Indigenous people wanting to start their business on-reserve. Section 89 of the *Indian Act* prevents seizure of First Nations property on a reserve by anyone other than a Status Indian or Band. This is a barrier to accessing financing for property located on-reserve. Section 87 of the *Indian Act* exempts the taxation of the personal property of a Status Indian or a Band situated on a reserve. This presents challenges in structuring a business operated by a Status Indian. The *Indian Act* also presents impediments pertaining to land title and property transfer on an Indian reserve. It continues to discriminate against Indigenous women (e.g., loss of Indian status and right to live on-reserve) which can impede their access to financing and business opportunities.

4.2.3 Return of Investment in Indigenous Women Entrepreneurs

Indigenous women are thriving in their entrepreneurial pursuits. They are providing a return to those who invest in them. Although many operate modest businesses, collectively, they have a significant impact within their families and communities. Entrepreneurship offers numerous benefits to Indigenous women including a flexible work schedule, work-life balance, and control over what they take on.

1. Worthy Investments – Indigenous women are perceived as risk-averse. However, Carleton University reports that women make risk-related decisions that are calculated and rational to build their business. Their risk decisions are influenced by their motivation to operate a successful business, and as a result, they collect more information before making a decision. The Indian Business Corporation demonstrated that Indigenous women are good credit risks. The organization lent a total of \$18.6 million to Indigenous businesswomen, but only 5% had loan write offs. In contrast, IBC lent a total of \$55.6 million to Indigenous businessmen, and 18% had loan write offs. Indigenous businesswomen utilized Indian Business Corporation's business support services more than men for business plans, grant applications, financial coaching and tax filing. This demonstrates

that Indigenous women are more receptive to training and support which results in improved lending outcomes.

2. Financial Self-Sufficiency -

Many Indigenous women use entrepreneurship to become financially self-sufficient and to raise their families' quality of life. For example, Métis women go into business because self-employment allows them to maintain their role as primary caregiver while increasing their family income¹⁶. Further, 50% of First Nation women entrepreneurs who were surveyed by the Cape Breton Partnership responded that their business is their main source of income for their families.¹⁷

3. Job Creation - Indigenous women create jobs for others within their communities. The Indian Business Corporation reported that, since 2009, Indigenous businesswomen created 68 full-time jobs and 46 part-time jobs, and they maintained 94 existing jobs¹⁸. The Atlantic Policy Congress of First Nations Chiefs Secretariat reported that, the 76 Indigenous women surveyed who owned a business, created 75 private sector jobs in addition to their own jobs¹⁹.

4. Increased Self-Esteem –

Success in entrepreneurship has led to increased self-esteem. Indigenous women gain a sense of confidence and pride from their accomplishment in business.

¹⁶ Paul Hanley Consulting, Strengthening Métis Women Entrepreneurship

¹⁷ RISE Results Business Services, Barriers to Success for Indigenous Female Entrepreneurs in Cape Breton-Unama'ki (Cape Breton Partnership, 2020)

¹⁸ Sahmii Knowledge Solutions and Terrapin Social Finance, Indigenous Business Women. (Indian Business Corporation, 2020, Calgary)

¹⁹ Diochon, et al, Entrepreneurship among First Nations Women

5. Community Giving – Sharing is a dominant value demonstrated by Indigenous women. Within the focus groups held by the Atlantic Canada Policy Congress of First Nations Chiefs Secretariat, First Nations women expressed that they see competition as an opportunity for sharing skills and customers to meet demand. They expressed a desire to see everyone succeed. Among the stories shared by Indigenous women within the reports, a common theme was their ability to take on leadership roles within the community, to be a role model for younger Indigenous women and to share information with other Indigenous women on how to get into business.

Building on the strengths of Indigenous businesswomen can provide income to the lender, jobs and leadership within the community and a self-sufficient family. Targeting efforts to enable Indigenous women in entrepreneurship is a good investment, providing tangible returns for the investor and community.

4.2.4 Common Recommendations

Almost all research reports identified recommendations to support women entrepreneurs. Common recommendations to support Indigenous women entrepreneurs are the following:

1. Develop women-specific programming that meets the needs of Indigenous women. Involve Indigenous women in the development of programming.

Structure the programs to accommodate women’s needs such as childcare, transportation and women-only events. Ensure that topics are relevant to Indigenous women.

2. Lobby for and establish targeted micro-loan funds for Indigenous women entrepreneurs that enable part-time, home-based or micro-enterprise borrowing.
3. Educate local financial institutions on the needs and potential of Indigenous women entrepreneurs to address gender bias and stimulate change to policies and eligibility criteria.
4. Increase communications targeted toward Indigenous women entrepreneurs to increase awareness of programs and services and overcome the barrier of lack of knowledge.
5. Deliver services to Indigenous women in an accessible manner. Use the latest communications technology to facilitate access. Bring services and sessions into the communities to relieve the transportation burden. Collaborate with regional women’s entrepreneurial organizations to provide services that are accessible and respective of women’s needs.
6. Measure and report on outcomes pertaining to Indigenous women entrepreneurs. Target setting and measurement is fundamental to being accountable for results. Tracking and reporting on results is key to achieving change for Indigenous women entrepreneurship.

4.3 Recommendations to NACCA and the AFIs

NACCA is planning to develop tools and resources to support AFIs to increase the participation of Indigenous women in entrepreneurship. The tools and resources will be specifically tailored for Indigenous women. The following recommendations are provided to NACCA and the AFIs to enable the success of Indigenous women entrepreneurs.

1. Engage the following parties in the development of Indigenous women entrepreneurship tools and resources:
 - a. Rely on the capacity of AFIs to assist in the development of AFI tools or resources for Indigenous women entrepreneurs. The AFIs are the experts in delivering lending and business support services at the community level. They will be utilizing the resources that will be developed under the Indigenous women’s entrepreneurship project. Explore whether the AFIs would lend relevant tools that could be adapted. Engage AFI staff, who regularly work with Indigenous women, to assist in the development of tools and resources.
 - b. Involve Indigenous women entrepreneurs in the development of tools and resources geared for their use. This will help to ensure that tools and resources effectively meet their needs.

2. Include the following within the tools and resources developed for Indigenous women entrepreneurs:
 - a. Provide background information for Indigenous women entrepreneurs to understand the purpose of tools and resources. This may include rationale, statistics demonstrating the need, or barriers to overcome in business.
 - b. Reflect the diversity of Indigenous communities, people and women within resources and tools. The diversity among Indigenous communities across Canada is a challenge in the development of tools and resources that may be used across the AFI network. Tools and resources that can be customized to the unique economy and characteristics of a community and the women within the community will be most effective.
 - c. Design tools reflective of Indigenous women. Provide images and stories of Indigenous women entrepreneur role models. Use examples and situations that are relevant to the situations and culture of Indigenous women. Reinforce the importance of planning, developing financial skills and overcoming barriers through storytelling.
 - d. Incorporate activities, templates and examples within the resources. Include activities and questions for the reader to reflect on, and apply, to their business idea. Provide templates, or worksheets, to guide the reader in completing activities. Show an example to provide direction on the required information and format.
 - e. Include directories of practical information and services. Provide practical business information needed by Indigenous women entrepreneurs such as registering for your business number, health and safety, opening a bank account, *Indian Act* impacts on a business and approaching an institution for financing. Provide a directory, with up-to-date hyperlinks, of support services available.
3. Develop an inventory of existing AFI tools and resources. Collectively, AFIs have a vast amount of business tools and resources they have already developed and use with their clients. Use and build off existing tools and resources that have been proven to be effective and adapt and modify them to cater to the unique needs of Indigenous women entrepreneurs.
4. Monitor outcomes from the use of tools and resources to understand how they are supporting Indigenous women entrepreneurship. Reporting on the outcomes achieved will demonstrate the return on investing in Indigenous women entrepreneurs.
5. Use the Gender-based Analysis Plus (GBA+) analytic tool to assess how programs, policies and initiatives affect women. It helps to challenge assumptions and identify potential impacts that influence a person's experience. NACCA and the AFIs can take GBA+ training to understand how to use the tool. Using the tool will help to achieve the goal of gender equality.
6. Conduct additional, ongoing research to enrich the data gathered in the literature review. Examine international literature regarding the benefits of Indigenous women and women entrepreneurship and the resources geared toward them. Extract census data, by gender, for Aboriginal self-employed to conduct a more in-depth gender analysis.

5 CONCLUSION

Indigenous women entrepreneurs are valuable investments. Absolutely, they require additional support to overcome the unique barriers they face as Indigenous women. This support includes women-specific tools and resources, making services and supports accessible to Indigenous women, changes to gender biased lending criteria and additional time and information to support their decision-making process.

Indigenous women overcome more challenges than those, generally, experienced by all Indigenous entrepreneurs. They surmount

greater barriers to accessing financing, balancing family and business responsibilities, overcoming sexism and gaining support and training. They are demonstrating resilience by overcoming challenges and thriving in business. The number of self-employed Indigenous women is increasing at a rate that is greater than Indigenous men. They are creating employment for not just themselves but for others in their families and communities. They are becoming role models and are contributing to the success of others within their communities.

By supporting Indigenous women entrepreneurs, financial institutions empower Indigenous women to become vital leaders who lift their families and communities. Financial institutions that invest in Indigenous women entrepreneurs will not only earn income from them, but a long-lasting business partner that will grow and bring more business to the institution.



APPENDIX A: SUMMARY OF RESOURCE GUIDES

1. A Guide for Inuit Women Interested in Building Their Own Business, 2013

Report Background: This report was published by Pauktuutit Inuit Women of Canada. Led by the Inuit Women in Business Network, this report project was guided by an Advisory Committee and input from economic development officers and Inuit businesswomen.

Purpose: This guide was prepared to help Inuit women get started in business.

Type of Resource: Guide for Inuit women starting a small business

Online Accessibility: Available online on the Inuit Women in Business Network website at Pauktuutit.ca/iwbn

Features:

Resource content includes:

- Quotes and real experiences from other Inuit businesswomen are shared throughout the document
- Relevant analogies such as having a business is like raising a child, starting a business is “tying the knot”
- Relevant situations to Inuit women, such as not having a good business plan is like going out on the land for a month without enough fuel or leaving a tent behind
- Step by step instructions and information throughout the guide in easy to understand terms and language
- Hyperlinks to additional resources

Promising practices include:

- Positive emphasis on doing what you love, rather than making lots of money is reinforced throughout the document
- Emphasis on start-up, not modernization or expansion projects
- Provides practical information on business registration, worker safety and hiring employees
- Asks numerous questions for the reader to reflect on their business ideas
- The guide is available in Inuit languages

Gaps include:

- No worksheets or examples of business plans or other elements mentioned in the guide
- No emphasis on financial literacy
- No photos of Inuit women
- Many hyperlinks do not work

Key Highlights:

Recognizes that many opportunities exist in the north but notes that the process of starting a small business can be confusing and very daunting for those without the appropriate education and/or experience.

Starting small, operating a micro-business or starting from home are “smart” options.

This guide takes aspiring Inuit women through the following eleven steps to being in business:

- Where Do You Get a Business Idea From?
- What Kind of Person Makes a Good Business Person?
- Going to Market – Getting to Know Your Customers
- Building a Support Network
- Getting Set-Up – Where to Set Up the Business
- Making Your Business Official – Tying the Knot
- Getting Help – Who to Hire
- The Business Plan – Planning for Success
- Banking
- Getting the Money to Help Your Business Get Started
- Staying on Top of Your Business

2. Journey to Success – Aboriginal Women’s Business Planning Guide, 2004

Report Background: Prepared by Mary Jamieson of Native Management Services, this guide resulted from the collaboration of federal, provincial and territorial leaders working to strengthen Aboriginal participation in the economy.

Purpose: To create a tool for Aboriginal women entrepreneurs. This resource highlights information from Aboriginal women nationwide, individual entrepreneurs and representatives of Aboriginal women’s organizations.

Type of Resource: Aboriginal Women’s Business Planning Guide

Online Accessibility: No longer available in print or online

Features:

Resource content includes:

- Provides sample business plan and appendices
- Provides great examples and scenarios of success and denial throughout

Promising practices:

- Highlights the unique challenges faced by Aboriginal women entrepreneurs across Canada
- Shares stories from “successful” Aboriginal women entrepreneurs
- Includes a sample business plan and illustrates necessary appendices
- Easy to understand with applicable examples used throughout
- The guide was printed in English, French and Inuktitut

Gaps

- Focus of guide is on starting a business, not growing or expanding one
- Does not share lessons learned from entrepreneurs whose businesses closed
- Outdated, released in 2004
- No mention of how the *Indian Act* impacts business operation

Key Highlights:

- It is important for the entrepreneur to do what they are passionate about. Makes a clear connection to what someone may enjoy doing and the opportunity of forming a business around that enjoyment and passion.
- Aboriginal women entrepreneurs face unique challenges as a result of, isolation, a legacy of hardship and abuse and a lack of access to opportunities.
- Aboriginal women in business say that drive, determination and persistence are essential for anyone in business.
- This guide prompts deep self-reflection and evaluation of preparedness for self-employment.
- Touches on the benefits of being self-employed as well as the risks associated with owning your own business.

- Touches on needed cash and sweat equity in order to start a business.
- Reinforces the importance of formal education, training and working for other entrepreneurs as an asset to being successful.
- Shares pros and cons of locating on and off territory.
- Defines what a business plan is, provides an example of one and reinforces that the plan is a must when applying for funding.
- Summarizes sources of start-up capital, operating, marketing and business support costs.
- Touches on what banking institutions will be looking for and how entrepreneurs and their idea will be assessed, namely the 4 c’s: character, capacity, cash-flow, and collateral.
- Speaks to banking denials, credit, lines of credit and what to do if cash runs low.
- Clearly touches on the role of First Nation, provincial/territorial and federal government as it relates to business start-up and operation.
- Provides reflection on the importance of a loyal customer base and understanding who they are.

Touches on qualifying factors of needing professional help from a lawyer, bookkeeper, accountant and business consultant and sources of doing so.

- Reflection on accessing a business mentor.
- Contemplates the work/life balance.

3. Welcome to Mentorship: A Model for Inuit Women, 2017

Report Background: Based on improving the participation of Inuit women in the Canadian economy, Pauktuutit Inuit Women of Canada embarked on this project to assist women escape from poverty through economic development. The mentorship model was based on a study conducted in 2012 that identified key barriers but found that women entrepreneurs were more successful with contact to a mentor.

Purpose: To help develop mentor/mentee relationships that are identified as a priority for Inuit women interested in starting a business.

Type of Resource: Combination of a report and guide on the development of a mentorship model for Inuit women entrepreneurs

Online Accessibility: Available online on the Inuit Women in Business Network website at Pauktuutit.ca/iwbn

Features:

Resource content includes:

- Lessons learned through the development of the group mentorship model
- Guidelines for group mentorship
- Colourful header of Inuit beadwork
- Includes a link to Pauktuutit’s Inuit Women in Business Network website

Promising practices include:

- The mentorship model for Inuit women entrepreneurs worked well as it was solely created with them in mind
- A group mentorship model was necessary due to the limited number of mentors, to relieve the dependence of the group on a single person and provide a strong basis for networking and developing relationships
- Expresses the potential of a north-south mentorship model
- The process examined all key components of delivery and was consistently evaluated for success
- Available in English and Inuktitut
- A facilitators guide and PowerPoint presentation has also been developed to support the group mentorship program

Gaps include:

- Does not include quotations/stories from Inuit women entrepreneurs who used the mentorship program
- No information on starting or expanding a business

Key Highlights:

From a group standpoint, mentorship pilots were held based on factors such as the number of Inuit women entrepreneurs in a community, possible mentors in the community, the size of the community and availability of partner organization representatives to assist. In the

group mentorship model, the following lessons were documented:

- Identifying and contacting interested mentees and mentors
- Community readiness
- Frequency of mentorship meetings
- Supports available in community and online
- Support from Pauktuutit staff
- Gender issues
- Providing mentees in remote communities with mentors
- Finding enough mentors to fill the need

There were not enough mentors, especially women, to fulfill the need of current Inuit women entrepreneurs.

Strong support is needed to develop mentor-mentee relationships, such as:

- Identifying possible mentors and mentees
- Support the development of mentorship agreements
- Monitor and provide support to the parties
- Develop new information resources
- Support ongoing knowledge sharing
- Ongoing coordination, administration and reporting

In the far north, the model struggled to overcome key logistical and technological challenges of delivering mentorship services.

Provides a clear understanding of the benefits of mentorship which are:

- Creating opportunities to give back to community
- Strengthening communication and relationship skills
- Encouraging people to stay current with emerging business concepts
- Providing an opportunity to expand professional networks
- Allowing for growth in perspectives, insights and knowledge
- Providing the opportunity for support, encouragement, wisdom, practical help and advice
- Allowing participants to build self-confidence
- Helping with short-term and long-term business planning and direction
- Offering the opportunity to enhance specific skills
- Providing general constructive criticism and guidance

Offers the following practical guidelines for group mentorship:

- Frequency of meetings
- Getting started
- Setting an agenda
- Agreement for basic terms of a mentorship group
- Tracking the group goals
- Use of role models and case studies

4. Toolkit for Women Entrepreneurs, 2018

Report Background: The First Nations of Quebec and Labrador Economic Development Commission (FNQLEDC) created the toolkit following action-research on the economic self-sufficiency of First Nations women in Quebec.

Purpose: To provide information to support Indigenous women in business and improve the economic independence of Aboriginal women.

Type of Resource: Toolkit for Indigenous women

Online Accessibility: Available on the FNQLEDC website at cdepnql.org/en/toolbox/cat/women-entrepreneurship

Features:

Resource content includes:

- Numerous, colour photos provide examples of women
- 12-page business planning guide
- Directories, with hyperlinks, of Aboriginal organizations and government programs that support Indigenous entrepreneurship in Quebec

Promising practices include:

- Describes services provided by FNQLEDC to First Nations women and forms used by FNQLEDC
- Expresses FNQLEDC's commitment to women in business
- Continually steers the reader to the services delivered by FNQLEDC and at numerous points in the toolkit, readers are encouraged to contact FNQLEDC for help
- Contains statistics that demonstrates the need for targeted business services for Aboriginal women
- Recognizes barriers for female entrepreneurs and offers solutions provided by FNQLEDC

- Profiles inspiring stories of 12 Indigenous women in business and shares information on their successes and how they overcame challenges

Gaps include:

- Does not articulate the importance of a business plan or personal equity to access financing
- The business planning guide does not provide a model of forecast financial statements

Key Highlights:

Recognizes that economically independent First Nations women can break the cycle of poverty, exercise their leadership with the community and generate positive outcomes within their community.

FNQLED services for First Nations women are described. The toolkit includes a registration and validation of the project form used by FNQLED.

A 12-page business planning guide is provided, that describes the following:

- How a business plan can be useful
- Cover letter
- Executive summary
- The project
- The promoter
- Market analysis
- Marketing plan
- Operations plan
- Human resource plan
- Financial plan
- Appendices

Directories of Aboriginal organizations and government programs that support Indigenous entrepreneurship in Quebec are provided to guide readers toward available business resources. The Aboriginal directory describes the organization, financial assistance and business start-up support available, eligibility and contact information. The government directory describes the program, financial assistance available, and contact information. Hyperlinks are provided for most organizations.

5. The Aboriginal Entrepreneurship Toolkit, 2015

Report Background: The Native Women's Association of Canada (NWAC) created the toolkit to provide a detailed guide for Aboriginal women.

Purpose: To help Aboriginal women to formulate their business concept. It is not intended to be a business planning guide.

Type of Resource: Aboriginal Women's Business Start-up Guide

Online Accessibility: Available online at www.nwac.ca/wp-content/uploads/2015/05/NF228-NWAC_EntreToolkit_FNL.pdf

Features:

Resource content includes:

- Multiple activities and activity sheets are used throughout the resource
- Uses an example of a maternity clothing store to walk through activities
- Full colour document with numerous photos and images

Promising practices include:

- Multiple questions motivate the reader to reflect and formulate their business concept (e.g., What is the path to your customers? How will you get your product/service to the customer?)
- Multiple activities and activity worksheets to help formulate the reader's business ideas
- Photos of women help readers to relate to female entrepreneurs

Gaps include:

- The guide is lengthy with 69 pages
- Additional information such as how to approach funders and additional descriptions of a business plan, balance sheet, income statement and cash flow projections, required by financial institutions, would have been helpful
- Cost and sales activities ask the reader to think in terms of percentages, but it may be easier to identify dollar values

- The sample cashflow sheet provides a simple format, but it does not contain definitions to understand financial terms (e.g., principal payments, owner's withdrawals)
- No background is provided to describe why the tool was published.
- No information on the importance of a business plan and the difference between a business model and business plan
- Difficult to search for the guide on the NWAC website

Key Highlights:

A business model should be easy to explain.

Marketing is important to grow your business.

The guide takes the reader through the steps to formulate their business concept. It includes the following chapters:

- The Business Model
- Interactive Marketing
- Financing Your Business
- Other Resources

Online commerce is an opportunity for Indigenous women to supply goods or services regardless of their geographic location. Detailed information is provided about online commerce and the use of social media to pursue online business opportunities.

Features information on crowdfunding, which is a viable funding source particularly for new product development.

6. Ulnooweg Business Assessment Toolkit, 2017

Report Background: Ulnooweg Development Group developed this toolkit for Indigenous entrepreneurs. It is not specifically targeted to Indigenous women. Ulnooweg Development Group is an AFI located in Atlantic Canada.

Purpose: To help Indigenous businesspeople assess their current business situation and provide Ulnooweg with information on the individual's circumstances to support their business.

Type of Resource: Indigenous Business Resource Guide

Online Accessibility: Available online on the Ulnooweg Development Group website at Ulnooweg.ca

Features:

Resource content includes:

- Full colour with numerous photos
- It is in a large font which is easy to read
- Brief information about business requirements
- Hyperlinks to business resources and forms including information specific to the Indigenous business environment

Promising practices include:

- The guide is positive and encourages the reader to think of themselves as a businessperson
- Each section is 1 page and contains practical information required by a business owner
- Clearly laid out so the reader knows what to expect
- Encourages the reader to use parts of the toolkit that apply to the business
- It is accompanied by an online self-assessment form that directs the individual's information to the Ulnooweg team who follow up with them which is useful for people who are unsure about approaching organizations for support

Gaps include:

- It would be useful to include information about Ulnooweg services and support they can provide to start or expand a business
- No specific information about business financing sources
- Does not include comprehensive information required in a business plan
- No examples of financial projections
- No quotations/stories of Indigenous entrepreneurs

Key Highlights:

It stresses the importance of identifying as a businessperson, regardless of how you sell or trade your work.

The guide provides useful information to help start a business and develop a business concept. It includes the following:

- Picking a Name
- Business Registration
- Types of Businesses
- Web Domain Registration
- Website and Social Media Strategy
- Business Numbers and Program Accounts
- Taxation
- Insurance
- Managing Cash Flow
- Finding Business Partners
- Governance
- Working with a Business Association
- Source Financing
- Business Planning

Appendices contain directories, with descriptions, of:

- Funding Opportunities
- Conventional Lenders & Financing Companies
- Business Plan Support

7. Ulnooweg Business Plan Template, 2017

Report Background: Ulnooweg Development Group developed this template for Indigenous entrepreneurs. It is not specifically targeted to Indigenous women entrepreneurs. Ulnooweg Development Group is an AFI located in Atlantic Canada.

Purpose: To guide individuals through the various parts of a business plan.

Type of Resource: Indigenous Business Resource Guide

Online Accessibility: Available online on the Ulnooweg Development Group website at Ulnooweg.ca

Features:

Resource content includes:

- Purpose of a business plan
- Short overview of the components of a business plan
- Describes the importance of a business plan

Promising practices include:

- The guide is short with 5 pages and not intended to be comprehensive but rather introductory information without overwhelming the entrepreneur
- Ulnooweg contact information on each page supports the reader to contact the organization

Gaps

- The guide is not sufficiently comprehensive to describe all information required in a business plan
- The preamble refers to a Statement of Work that is not described in the plan and infers the reader knows what the Statement of Work is and how it may be used by Ulnooweg
- No examples of an actual business plan or financial projections are included and it would be useful to direct reader to the Ulnooweg's income statement template available online
- No photos, relevant examples or worksheets

Key Highlights:

Investors want to know if they should invest in a business. A business plan will help investors to decide.

The guide provides a brief overview of the following business plan components:

- Executive Summary
- Purpose
- Contact Information
- Business Description
- Project Costs and Financing
- Industry/Market Analysis
- Promotion/Marketing
- Management/Personnel
- Operations
- Environmental Issues
- Financial Projections and Analysis
- Risks and Mitigation
- Consultations
- Implementation Plan/Exit Strategy
- Recommendations
- Supporting Documents



APPENDIX B: RESEARCH REPORTS ON INDIGENOUS WOMEN ENTREPRENEURSHIP

1. Entrepreneurship among First Nation Women in the Atlantic Region, 2013

Purpose: The Atlantic Policy Congress, through its research arm, undertook this research project in order to gain a deeper understanding of entrepreneurship with a focus of designing effective policy around its findings. Specifically:

1. Build indigenous research capacity among Aboriginal women to conduct and leverage research as a tool in community-based efforts to improve lives in communities.
2. To establish baseline data on the prevalence of entrepreneurship among Aboriginal women in the Atlantic region, the level of interest in engaging in the entrepreneurial process, and the factors enabling and constraining engagement.
3. More fully understand how women in Aboriginal communities, both entrepreneurs and non-entrepreneurs view the issues, opportunities and challenges of becoming and being an entrepreneur.

Methodology:

The report presents findings and recommendations based on:

- Literature review
- Two online surveys (entrepreneurs & non-entrepreneurs) completed by 231 respondents
- Case studies involving interviews and focus group discussions in 4 communities

Main Findings:

- There is a thriving cohort of female Aboriginal entrepreneurs. Despite the lack of support, they have established successful businesses and are making a valuable contribution to employment in their community.
- Although the goals of Aboriginal women entrepreneurs may be modest, but collectively their achievements have a significant impact.
- Women who have become financially self-sufficient through their business activities felt high levels of self-esteem, confidence and pride in their work.

- Sharing emerged as a dominant value, with competition seen as an opportunity for sharing skills, sharing customers to meet demand. There was a desire to see everyone succeed.

Key survey findings include the following:

- 88% of existing businesses were considered microbusinesses.
- 83.9% were sole proprietorships, 74% of which are located on-reserve & 86% are operated from home.
- The women surveyed created 75 private sector jobs, in addition to their own jobs.
- The businesses predominantly operate in the arts, entertainment, accommodation, food and cultural industry.
- Their business idea developed as a result of personal skills/needs/experience, need/opportunity in the marketplace and response to demand.
- Few women received funding from existing programs and services. Primary source of start up financing was personal savings (60% of respondents). 16% of respondents had no financing. 89% of respondents reported using no government or other programs to start up.

Challenges experienced by Aboriginal women who participated in the research include:

- Lack of formal support and training
- Ineligibility for funding due to the requirement for full-time involvement
- Lack of available space on-reserve
- Gender bias within communities and favouritism toward men

Recommendations to support Aboriginal women in business include:

- Design policies or programs that are sensitive to women's willingness to take risk and the time they have available to be engaged in business endeavours.
- Build awareness within communities of the products and services produced by female entrepreneurs and celebrate their skills and accomplishments.
- Provide opportunities to learn and practice being an entrepreneur in a business context.

Positive Report Attributes:

- The intent is to influence policy using the research. It connects data to policy improvement with the goal of assisting First Nation women entrepreneurs in Atlantic Canada.
- Report draws a deep understanding of entrepreneurship and what entrepreneurship means for female businesses owners in the region.
- Contemplates the difference between small business owner and entrepreneurship.

Report Limitations:

- Regional study pertaining to First Nation women, residing on a First Nation, in Atlantic Canada.
- Relies on some aged data (i.e., Industry Canada Data, 2013).
- The report is difficult to read because its focus is a research report supported by numerous data tables and statistical references.
- No images of Aboriginal women to reinforce who will be impacted by the research outcomes.

2. Creating a New Narrative: Empowering Indigenous Women Through Entrepreneurship, 2017

Purpose: The Indian Business Corporation (IBC) and Business Development Bank of Canada commissioned the report to understand how the challenges faced by Indigenous women differ from Indigenous men and non-Indigenous women to develop solutions that meet their needs. IBC is an AFI located in Alberta.

Methodology:

The report presents findings and recommendations based on:

- Literature review
- 18 interviews with representatives from AFIs, mainstream financial institutions, individuals who encourage entrepreneurship among Indigenous women and Indigenous women entrepreneurs

Main Findings:

Significant barriers preventing Indigenous women from pursuing entrepreneurship include:

- Inability to qualify for mainstream financing due to lack of property for collateral, lack of access to capital for equity and lack of credit.
- Inability to work full-time in their business as required by many banks.
- Lack of education or knowledge in financial literacy, business planning and navigating financial institutions.
- Lack of confidence from rejections by banks, lack of mentors or a strong family support system.
- Lack of access to male-dominated fields that are the foundation of the Alberta economy.
- Diversity of circumstances that result in different challenges.
- Lack of programs and services designed to specifically support Indigenous women entrepreneurs. Ignoring the unique needs of Indigenous women can exclude women from programming that appears to be gender neutral.
- Few options for microloans required by women who start smaller businesses.
- Lack of awareness of programs and resources available to Indigenous women entrepreneurs and business opportunities available within their communities.

Recommendations to make entrepreneurship more accessible include the following:

- Develop gender-specific programming, managed by and for Indigenous women. Structure the programs to expressly accommodate women, such as providing childcare. Ensure that program content addresses topics relevant to Indigenous women.
- Increase access to financing by co-financing loans between AFIs and mainstream banks and providing access to microloans required by Indigenous women.
- Raise awareness among Indigenous women about the viability of entrepreneurship and resources available to them. Leverage the latest communications technology to build awareness and facilitate access.

The report identified the two critical calls to action to ensure that Indigenous women have greater access to entrepreneurship:

- Establish Canada's first dedicated loan fund for Indigenous women's entrepreneurship.
- Ensure women are at the centre of the development of the fund.

Positive Report Attributes:

- The report is easy to read with large font, clear headers, multiple images of Indigenous women and quotations from study participants.
- It acknowledges that Indigenous women see entrepreneurship as an opportunity to raise their families' quality of life, which benefits the overall Indigenous community.

Recognizes that entrepreneurship offers Indigenous women numerous benefits including a flexible work schedule, balance between work and family life, control over how much they take on and a sense of satisfaction from building something from the ground up.

Report Limitations:

- Regional study pertaining to Indigenous women's entrepreneurship in Alberta.
- Few statistics available to demonstrate the state of Indigenous women entrepreneurship.
- Uses some aged data (i.e., CCAB Aboriginal Business Survey, 2011).

3. Barriers to Success for Indigenous Female Entrepreneurs in Cape Breton – Unama'ki, 2020

Purpose: The Cape Breton Partnership undertook the study to understand the Indigenous support system in Cape Breton – Unama'ki and the barriers faced by Indigenous female entrepreneurs in accessing entrepreneurial support services and programs.

Methodology:

The report presents findings and recommendations based on:

- Literature review
- 5 focus groups, with a total of 27 female Indigenous entrepreneurs, held in each of the 5 First Nation communities in Cape Breton – Unama'ki
- An anonymous survey completed by 25 focus group participants
- Review of services and supports available to entrepreneurs in the region

Main Findings:

Barriers to entrepreneurship that were identified in Cape Breton – Unama'ki include:

- Traditional banks are reluctant to lend to people living on-reserve due to the *Indian Act*.
- Participants expressed a lack of skills and knowledge, in the following areas:
 - Financial literacy and understanding of actions that impact credit
 - Business management such as accounting, marketing, human resources and sales
 - Government requirements such as business registration, financial reporting, HST and employee remittances
- The location of Cape Breton – Unama'ki First Nations impede access to services, such as:
 - Business and professional services
 - Training to increase skills
 - Reliable Internet access
 - Access to retail and workspace that that limited within First Nations
- Participants lack business resources such as supplies, inventory and technology. Limited access to funding resources impedes the continuity of business activities.
- Family responsibilities, such as childcare and household management tasks.
- Participants expressed fears in pursuing business opportunities, including:
 - Fear that their families' access to social assistance will be affected by the business' financial success

- Fear of rejection by the general business community
- Fear of discrimination and prejudice from funders and service providers
- Gender bias is a concern in traditionally male-dominated industries.
- There is a disconnect between the First Nation leadership/administration and entrepreneurs resulting in the following concerns:
 - Lack of encouragement from the Band office
 - No tangible support for business start-up or expansion
 - First Nation support decisions are politically motivated

Recommendations provided by participants include the following:

- Hire a dedicated Indigenous Liaison Officer to connect Indigenous entrepreneurs with service providers and provide tangible assistance to help entrepreneurs start and grow viable businesses.
- Build a communications database of current female Indigenous entrepreneurs and use a Facebook group, email and direct mail to provide regular updates on initiatives.
- Educate local lenders on the needs of Indigenous clients and encourage them to adapt communications and offerings to better support this sector.
- Bring services and sessions directly to communities to relieve the burden of travelling to business services, as follows:
 - Communities support women entrepreneurs by offer Bring childcare, transportation to training sites and pre-sessions to discuss expectations
 - Provide “train-the-trainer” sessions for trainers to learn about the culture and barriers that Indigenous women face daily
 - Build the capacity of Indigenous people to become trainers
 - Invite funders and service providers for roundtable discussions with female entrepreneurs, providing

equal time for entrepreneurs to share their struggles, ideas and needs and providers to share their offerings and suggestions on accessing funds in the future

- Conduct quarterly “coffee house” meetings in each community to build connections and foster relationships with entrepreneurs
- Re-ignite the “Balance” conference that was held in 2008, 2009 and 2010 that provided content customized for Indigenous women in business
- Test a micro-loan project to provide up to \$4,000 per loan to support 12 Indigenous women entrepreneurs.

Positive Report Attributes:

- The report is printed in large font, with clear headers, that enables reading and comprehension.
- The report is one of a few regional research projects that are focussed on Indigenous women entrepreneurs.
- The report describes indigenous-focussed services for entrepreneurs, providing a resource for Indigenous women entrepreneurs in the region.
- Participants expressed knowledge of Ulnooweg Development Group, but they were not aware of other services and support available to Indigenous women entrepreneurs.

Report Limitations:

- Regional study pertaining to First Nation women entrepreneurs in Cape Breton-Unamaki.
- Statistics are based on a small sample size of 27 Indigenous women entrepreneurs.
- Limited images of Indigenous women entrepreneurs to reinforce the research focus.

4. Indigenous Business Women

Purpose: Indian Business Corporation (IBC) commissioned the report to measure results of targeting programming toward Indigenous businesswomen to better understand women’s loan behaviour and their services that helped them in their business success. IBC is an AFI located in Alberta.

Methodology:

The report summarizes the findings and recommendations of:

- Third party evaluation of the IBC Women's Loan fund
- 10-year gender-based review of IBC loan records and customer surveys

Main Findings:

Result of the IBC Women's Loan Fund include the following:

- Current fund value is \$5 million
- 70 small business loans have been made from the fund averaging \$110,000
- Top 5 industry sectors that Indigenous women operate in are agriculture, energy, equipment, retail & construction
- The average age of fund clients is 49
- Since 2009, Indigenous businesswomen have created 60 full-time and 46 part-time jobs and have maintained 94 existing jobs

Outcomes from owning their own business include:

- Personal achievement such as overcoming adversity, discrimination and racism
- More cohesive families and communities
- Becoming a role model for family and community
- Generates employment opportunities and business creation by others

Challenges experienced by Indigenous business women include:

- Balance between business responsibilities and family/community responsibilities
- Overt sexism
- Lateral violence
- Being taken seriously and treated with respect
- External factors such as the economy and weather

Community impact of the Indigenous women owned businesses include:

- Employment creation
- Helping others overcome barriers
- Sharing feminine energy and traditional knowledge
- Ability to recognize and address gaps in the community

Family impact of Indigenous women owned businesses include:

- Increased presence with family
- Positive influence on children
- Increased self-esteem and self-worth

Illustrates gender differences in IBC lending including:

- Gender gaps in the areas of total loans made and average loan size
- More women access support more than men but they have less loan write-offs and less missed payments

Stories shared of Indigenous women entrepreneurs demonstrates the following:

- Businesses focus on building community, health, working as a family, sharing culture, goal setting
- Challenges of accessing financing, finding good employees
- Use of resources such as support from family, mentors

Recommends the following changes required to support Indigenous businesswomen:

- Investment from impact investors to support lending to women-owned businesses
- Increased opportunities for networking, learning and peer support
- Increased community support for local entrepreneurs
- Addressing racism, sexism, colonialism and stereotypes to remove barriers

Positive Report Attributes:

- The report is easy to read with colour and infographics to highlight data.
- Key themes from women who expressed how they felt as a woman in business include Resilient, Resourceful, Impactful and Influential.
- Presents stories of 4 Indigenous women entrepreneurs who are IBC clients.

Report Limitations:

- Regional study pertaining to IBC clients.
- Statistics are limited to IBC clients, so the report is not inclusive of all Indigenous women entrepreneurs.

5. Strengthening Métis Women Entrepreneurship, 2012

Purpose: Women of the Métis Nation commissioned the study to understand the needs of Métis women entrepreneurs and whether they have accessed or benefited from entrepreneurial support programs.

Methodology:

The report summarizes the findings and recommendations of:

- Search of publicly available information on Métis Financial Institutions (MFIs) and other business service providers
- Métis-women data filtered from the 2011 Aboriginal Business Survey conducted for the Canadian Council for Aboriginal Business
- Interviews with Métis women entrepreneurs
- Interviews with management and front-line officers from Métis Financial Institutions

Main Findings:

- Métis entrepreneurs are the fastest growing segment of Aboriginal entrepreneurs. From 2001 to 2006, there was a 45% increase in self-employed Métis.
- In 2001, 36% of the Métis self-employed were women. Métis women's share of the self-employed sector has declined more recently.
- MFIs reported that 35-40% of their clients were women.
- Most Métis women entrepreneurs do not use the services of MFIs or other business service providers because they are not aware of the services, paperwork and red tape makes them difficult to access or applications were turned down.
- Métis women entrepreneurs go into business because self-employment allows them to maintain their role as a primary caregiver while increasing their family income. 69% of Métis women's businesses operate from home and almost all Métis women entrepreneurs operate micro-businesses.

Key success factors for Métis women entrepreneurs are:

- Demonstrable, defined business opportunity
- Business planning and preparation
- Ability to access financial resources
- Ability to access to business development and aftercare services
- Access to business infrastructure
- Opportunities to connect with and learn from Métis women
- Service providers' willingness to modify programs and services to address the distinct needs of Métis women
- Personal experience and knowledge
- Personal qualities that support entrepreneurial success
- Family, childcare and work life balance
- Community connections
- Improved financial literacy

Métis women find that their local community and Aboriginal governments are less relevant to their business than Inuit and First Nations.

Challenges to the success of Métis women in business include:

- Long hours and limited time off
- Dealing with regulations and government
- Managing childcare, other family responsibilities and their work life
- Limited opportunities to connect or network with peers
- Oppression and discrimination
- Psychological barriers such as lack of competence

Twice as many Métis women entrepreneurs than Métis men would like to access mentoring but there are limited mentors and it is hard for women to find the time to spend with mentors.

Access to financing is a significant challenge for Métis women entrepreneur due to:

- Many Métis women entrepreneurs operate micro-businesses in the service sector which do not require a lot of start-up capital. Many programs do not support micro-lending.
- Métis women entrepreneurs are more likely to be impaired by a lack of equity.

- A bad credit rating or no credit history.
- Ability to work full-time in the business. Many programs require clients to work full-time in the business.
- Accessing funds specific to resource sector because it is a predominantly male industry.

There was no demonstrated need for programs specifically targeted toward women. An alternative is to collaborate with women's entrepreneurial organizations and agencies. Measuring and reporting the impacts of programs on women could motivate MFIs to focus on delivery of services to women.

Recommendations to strengthen Métis women's entrepreneurship programs include:

- Conduct joint research by the 5 MFIs to develop a more effective communication strategy to reach more female clients and identify their specific needs.
- Lobby funders to provide funds to hire a women's service specialist at each Métis Financial Institution to support women in their business planning, advocate for women, help them to remove obstacles and provide aftercare support.
- Establish a Métis Women's Entrepreneurship group on Facebook or similar social media to foster an inclusive climate of encouragement and reinforce the group through seminars and workshops held in conjunction with regional and national gatherings.
- All MFIs measure and report on its impact on female clients and broaden the areas of impact on Métis Women Entrepreneurs in annual reports.
- Lobby for micro-lending pilot program for Métis Women Entrepreneurs to be administered by MFIs.
- Develop a strategy by the 5 MFIs to resolve some of the typical problems faced by women starting microbusinesses and ask lenders to reduce minimum equity requirements for Métis Women Entrepreneurs.
- Lobby Aboriginal Business Canada to alter its grant and lending programs to remove the requirement to work full-time and eliminate policies that undermine micro-lending, such as unofficial minimum lending limits.
- Lobby for a MFI to be established in British Columbia.
- Ask the Métis Voyageur Development Fund to broaden its program to include all economic sectors and a micro-lending option.
- MFIs conduct joint research on the best ways to simplify business planning and bookkeeping for micro-businesses.

Positive Report Attributes:

- The report is the only published examination of the needs of Métis women entrepreneurs.
- It provides an in-depth analysis of numerous statistics, multiple reference sources and tables pertaining to Aboriginal business, women entrepreneurs and Métis Women Entrepreneurs.
- Useful comprehensive directory of business support services that are available for Métis, female or Aboriginal business within the 5 western most provinces, including contact information and descriptions of some services.
- The executive summary is helpful as it highlights key findings from the report.

Report Limitations:

- The report was completed in March 2012 and reports on some information that is dated. Some programs identified within the report no longer exist.
- The report is lengthy, with 138 pages and detailed data in the body of the report This could make it overwhelming to read.
- No images of Métis women entrepreneurs to reinforce the research focus.

APPENDIX C: RESEARCH REPORTS ON INDIGENOUS ENTREPRENEURSHIP

1. Research Module 1: Aboriginal Entrepreneurship in Canada, 2014

Purpose: Commissioned by NACCA and BDC, this research module is the first report of a three-part series which profiles the landscape of Aboriginal entrepreneurship along with the current financial services available to Aboriginal SMEs in Canada. The report was prepared by the Conference Board of Canada – Northern and Aboriginal Policy.

Methodology:

The report summarizes the findings of a literature review. No dataset was available to assist with defining SMEs as per Statistics Canada’s definition. Therefore, the authors compare, and contrast, several different sources of primary and secondary data analysis.

Main Findings:

Aboriginal entrepreneurs were young compared to the rest of the population, and they had grown at a significant rate over the past two decades. Specifically, between 2003 and 2011 there were 10,000 new businesses.

Aboriginal entrepreneurs span across all sectors and industries.

Geographic and locational differences play an important role in distinguishing the following trends:

- Smaller, more remote areas have high rates of construction, utilities, agriculture, and forestry, fishing and hunting businesses.
- Urban locations have high rates of construction businesses as well as businesses in professional, scientific and technical services.
- Generally, urban locations tend to have a smaller concentration of business types than rural and remote locations.
- Many Aboriginal businesses are small in nature, acting as either sole proprietorships or partnerships. Despite their size, Aboriginal business owners are optimistic about their features.

- 70% of businesses surveyed indicated they will still be running their business in five years.
- Aboriginal communities are finding ways to generate and invest their own sources of revenues through various kinds of collective business enterprise.
- With sole proprietorships, communities are seeking financing opportunities to grow their businesses and amplify their economic impact.

There are some differences in the counts of Aboriginal businesses across the country. Most notably, business counts might be underrepresented in national surveys, such as the National Household Survey. At the time, the latest available data indicated roughly 10,000 businesses located on-territory. Even when factoring out public service-related businesses, in public administration, or health and education sectors, there was still three times as many businesses located on-territory than estimated self-employed individuals from the 2011 National Household Survey.

While there is evidence of growth, and economic value among Aboriginal businesses, many face several challenges in accessing capital, especially on-territory.

There was a clear lack of the presence of financial institutions for Aboriginal entrepreneurs located in small and remote locations. Also, major banks in Canada have a limited “on-the-ground” presence in Aboriginal communities, and not all major banks have services specialized for Aboriginal individuals.

BCD and NACCA’s network of AFIs help fill financing gaps for Aboriginal SMEs.

Positive Report Attributes:

- Provides a profile of Aboriginal entrepreneurs and SMEs in Canada, in terms of business size, geographic clusters, and industry sector classification.
- Provides a summary of how the distribution of Aboriginal entrepreneurs and SMEs vary across the Canadian provinces and territories, by size, geography and industry sector classification.
- Gives the size and scope of key financial services currently targeting Aboriginal entrepreneurs and SMEs in Canada.

Report Limitations:

- Relies on aged data (i.e., 2011 National Household Survey).
- No images of Indigenous entrepreneurs to reinforce the research focus.

2. Research Module 3: Barriers to Aboriginal Entrepreneurship and Options to Overcome Them, 2017

Purpose: Commissioned by NACCA and BDC, this research module is the last report of a three-part series which encompasses defining Aboriginal entrepreneurs and SME, their financial preferences, barriers and unmet service needs, location specific challenges, adequacy of financing solutions, and identification of smart practices and recommendations. The report was prepared by the Conference Board of Canada – Northern and Aboriginal Policy.

Methodology:

The report summarizes the findings of a literature review. No dataset was available to assist with defining SMEs as per Statistics Canada’s definition. Therefore, the authors compare, and contrast, several different sources of primary and secondary data analysis.

Main Findings:

- Aboriginal entrepreneurs and business owners face several obstacles in accessing financing for start-up, on-going operations, acquisitions, and expansions. Access to capital continues to be a significant barrier.
- Challenges faced by Aboriginal entrepreneurs and business owners were found to fall into three separate categories: structural, financial and cultural.
- Structural challenges are those that relate directly to the conditions and well-being of individuals living in Aboriginal communities such as lower levels of employment, educational attainment and income.
- Financial challenges include the limited availability of banking services, a lack of financial literacy and capacity, and the potential threat of fringe financial services.

- Major Banks have limited “on-the-ground” presence in Aboriginal communities.
- On-online banking present challenges when individuals have limited opportunity to grow their knowledge of financial literacy, and they have limited access to virtual services because of a lack of infrastructure.
- Cultural challenges are those that relate directly to the culture of the Indigenous person and their community. This includes mainstream financial institutions lack of understanding of Aboriginal culture, communities, political structures, circumstances of on-reserve business, and mixed rural and remote economies.

Challenges are intensified for entrepreneurs living on-territory due to regulatory and legislative restrictions. However, entrepreneurs living in rural, remote and northern and urban settings also face obstacles related to structural challenges that need to be addressed.

Overall, the necessary resources required to support and educate Aboriginal entrepreneurs are not available. This explains why only a minority of Aboriginal start-ups access loans or credit from Aboriginal business lending institutions, government programs, or banks. A majority of existing and aspiring entrepreneurs are not getting the right information.

Recommendations related to improving Aboriginal entrepreneurs’ capability to access financing, as well as those related to increase the financing available, include:

- Concrete efforts by federal and provincial governments, AFIs and other financial institutions to simplify access to financing, improve the financial capabilities of individuals, explore options for greater micro-loans and support efforts that work to mitigate the legislative and regulatory barriers brought on by the *Indian Act*. This could be accomplished by:
 - Developing better information products and an information clearinghouse to help entrepreneurs make better informed financial decisions.
 - Exploring options to integrate funding and financial literacy courses.

- Sharing smart practices amongst financial institutions that offer micro-lending.
- The federal government to exploring ways to simplify the legislative and regulatory restrictions imposed by the *Indian Act*.
- There should be coordinated efforts by federal and provincial governments, as well as AFIs, private sector, and other financial institutions to increase funding for AFIs, explore opportunities for social financing and regularly evaluate the needs gap for affordable capital and operating subsidies.

Positive Report Attributes:

- Identifies financial service preferences of Aboriginal entrepreneurs and SMEs.
- Summaries the financial barriers and unmet service needs affecting Aboriginal entrepreneurs and SMEs.
- Identifies opportunities and options available to reduce barriers and expand/enhance financial services for Aboriginal entrepreneurs and SMEs.
- Reinforces that more funding is needed nationally. AFIs need to promote themselves better and regularly monitor the performance and impact of their investments.
- Asserts that many obstacles are faced by Aboriginal entrepreneurs and businesses people regardless of their structure or location.

Report Limitations:

- Relies on aged data (i.e., 2011 National Household Survey)
- No images of Indigenous entrepreneurs to reinforce the research focus

3. Promise and Prosperity, The 2016 Aboriginal Business Survey

Purpose: The Canadian Council for Aboriginal Business (CCAB) undertook the Aboriginal Business Survey to address the data gaps pertaining to Aboriginal entrepreneurs, their experiences and their needs for growth and success. The 2016 report is a follow-up to their 2011 Aboriginal business survey. Starting in 2019, CCAB started updating the Aboriginal business survey. The date of report release is unknown.

Methodology:

The report summarizes the findings and recommendations of:

- Telephone survey, conducted by Environics Canada, with 1,101 First Nations, Métis and Inuit business owners across Canada
- Review of the 2011 National Household Survey

Main Findings

The 2011 National Household Survey provided the following information about Aboriginal entrepreneurs in Canada:

- 43,305 Aboriginal people reported that they were self-employed in 2011. This was an increase of 15.6% since 2006.
- Métis were the largest proportion of self-employed (50%), followed by First Nation (44%) and Inuit (2%).
- Self-employed Aboriginal people are most likely to reside in Ontario (24%), British Columbia (22%) and Alberta (18%).
- Primary industries occupied by Aboriginal entrepreneurs are Professional, Scientific, and Technical Services, Education, Health & Social (34%), Construction (19%) and Other (10%).

Characteristics of survey respondents include:

- Most Aboriginal businesses (73%) are unincorporated, operating as either a sole proprietorship (61%) or a partnership (12%), while one in four (27%) are incorporated.
- Most Aboriginal business owners (64%) operate without employees.
- Sole proprietorships are favoured among businesses owned by women as well as those operating in secondary or service sectors and in the province of Quebec.
- The majority of Aboriginal businesses are home-based (66%). Home-based businesses are more common off-reserve than on-reserve, and among smaller companies without employees and with lower revenues.
- More than half (56%) of First Nations entrepreneurs have established their business on a reserve. The remaining four in ten (43%) are located off-reserve, a substantial increase from 2010, which was 28%.

- More than one in three (36%) Aboriginal business owners in this study report having at least one employee and these are most likely to be full-time, permanent workers. Aboriginal business owners, with employees, report that they face challenges finding qualified Aboriginal employees, but once they are hired, it is easier to retain them.

Respondents indicated the following pertaining to success in business:

- Aboriginal business owners who feel their business has been extremely or very successful (52% of total sample) credit their success to: effort and hard work (34%), steady client base (19%), their strong reputation (16%), quality of work (13%), demand for their product or service (11%), and their level of customer service (11%).
- Obstacles to growth that Aboriginal faced include:
 - Attracting employees with right skills/qualifications (39%)
 - Overall economic conditions (35%)
 - Access to equity or capital (31%)
 - Government policy, rules and regulation (31%)
 - Difficulties retaining employees (30%)
 - Access to financing (29%)
- Key success factors identified include the following:
 - Having a written business plan
 - Innovation within the business
 - Selling to wider Canadian market
 - Diverse client base including private sector companies, consumers, provincial/territorial governments and municipal governments
 - Seek external advice including informal support in the form of networking or mentoring

Respondents indicated the following pertaining to financing:

- Aboriginal business owners rely heavily on personal savings. Primary financing used at the business start up include:
 - Personal savings (65%)
 - Business loans/credit from bank (19%)
 - Aboriginal lending agencies or capital corporations (14%)
 - Personal loans/credit from bank
- Smaller businesses, without employees and annual revenues under \$100,000, find it particularly difficult to access alternate sources of finance. First Nations businesses located on-reserve and established firms with a growth focus more commonly use Aboriginal lending agencies as a source of start-up funding.

Respondents indicated the following about a written business plan:

- A minority (31%) of Aboriginal businesses report having a written business plan in place for the past year. A current business plan remains more common among:
 - Newer ventures established in the last five years (42%),
 - Larger firms with employees and annual revenues over \$500K or more,
 - Businesses located off-reserve
 - Firms in the natural resources sector
 - Businesses owned/operated by entrepreneurs with a university degree
- When asked why they have not developed a business plan, businesses without one (69% of total sample) are most likely to say:
 - They do not see the value in this planning tool (41%).
 - Lack of resources, in terms of either time (20%) or money (6%)
 - They believe that a business plan is unnecessary for their business type or stage (7%)
 - They acknowledge that they do not know enough about business plans or how to develop one (4%)

Recommendations:

- Ensure available funding for Aboriginal and small businesses can be accessed by those who need and want it.
- Support human resource development by providing and funding skills training.
- Update governance and land management policies on-reserve.
- Be a champion for Aboriginal businesses.

Positive Report Attributes:

- Relies on primary research conducted on Aboriginal entrepreneurship.
- Report design includes numerous colour charts and headers that helps to highlight data.

- Shares stories of Aboriginal entrepreneurs relevant to the data.
- Demonstrates that Aboriginal entrepreneurs are motivated by a desire to innovate, expand and profit from their businesses, but they also face unique challenges to their growth and development.

Report Limitations:

- No photos of Aboriginal entrepreneurs to reinforce the research focus.



APPENDIX D: RESEARCH REPORTS ON WOMEN ENTREPRENEURSHIP

1. A Force to Reckon With: Women, Entrepreneurship and Risk, 2016

Purpose: The Beacon Agency undertook this research with Carleton University's Centre for Women in Politics and Public Leadership to understand the link between risk and social and economic success by focussing on how female entrepreneurs calculate, assess and manage risk under changing conditions.

Methodology:

The report summarizes the findings and recommendations of:

- A selective literature review on female entrepreneurship and factors that influence female entrepreneurship
- Over 100 interviews with female and male entrepreneurs across Canada
- A critical conversation event involving senior leaders from government, banks, entrepreneurs, industry, academia and non-governmental organizations

Main Findings:

- Female entrepreneurship is growing in Canada
- Women are ambitious and want to grow their businesses in a long-term sustainable manner
- Women entrepreneurs make risk-related decisions that are calculated/rational to build and grow their business
- Risk is a means to achieving social and economic goals
- Risk-oriented decisions made by women and men are influenced by their notion of success
- Women's risk-related decisions are influenced by their motivation to operate a business, perceived level of confidence, and contextual factors
- Women entrepreneurs take a relationship and longer-term approach to business
- Women face greater obstacles in acquiring loans from banks
- Many women are funded through personal finances
- Lack of awareness about existing credit offered by banks for female entrepreneurs may contribute toward the lack of funding applications by women

Recommendations provided for financial institutions include the following:

- Change risk metrics to include a more holistic understanding of risk
- Gather evidence that can be disaggregated for male and female entrepreneurs
- Use a streamlined and easy to access application process
- Adopt a relationship-based approach when working with female entrepreneur
- Increase communications, using multiple methods, to increase awareness among female entrepreneurs about available credit dedicated to females
- Offer more educational opportunities to women
- Support mentoring programs to help women increase their confidence and business knowledge
- Share success stories of financing women
- Engage with female entrepreneurs at every stage of their business growth to build relationships and enhance their business growth

Positive Report Attributes:

- Design uses large headers, charts and graphs to highlight key information.
- Dispels assumptions used by financial institutions such as:
 - Risk is assumed to focus on financial returns and probable successes. It isn't considered as adaptability and flexibility to changing conditions of uncertainty.
 - Financial institutions assume that women entrepreneurs are risk averse. Women entrepreneurs take a holistic approach to risk and focus the implication of their decision on the long-term sustainability of their businesses.
 - It is assumed that female entrepreneurs are a homogenous group; however, there is a huge variation among female entrepreneurs.
- Presents a framework to understand female entrepreneurs' risk behaviour, inclusive of socio-psychological, perceptual and contextual factors. It uses a holistic approach to examine the interplay of multiple factors.
- Provides recommendations for financial institutions to better support women entrepreneurs to access financing and grow their businesses.

Limitations:

- Focuses on women who incorporated their business and assumes it is an indicator of entrepreneurial activity such as innovation, expansion into new markets and export-orientation. However, income tax exempt of the property of Status Indians under Section 87 of the *Indian Act* discourages Status Indians to incorporate their businesses, so the assumption does not apply to Status Indians.
- Focuses on risk decision-making and women entrepreneurship in Canada. There is a negative connotation to risk.
- Relies on aged data (i.e., Industry Canada, 2011).
- No images of women entrepreneurs to reinforce the research focus.

Everywhere, Everyday Innovating: Women Entrepreneurs and Innovation, 2018

Report Background: The Beacon Agency undertook this research with Carleton University's Centre for Women in Politics and Public Leadership to understand how and where women entrepreneurs are innovating and the factors that impact their innovation.

Methodology:

The report summarizes the findings and recommendations of:

- Literature review on women entrepreneurs' innovation
- Interviews with 146 women entrepreneurs in all industries across Canada, including 23 Indigenous women entrepreneurs
- BMO Wealth Management survey from over 1000 entrepreneurs
- Round table of over 100 leaders from government, industry, entrepreneurs, women's organizations and academia to shape the final recommendations

Main Findings:

- Women entrepreneurs make significant contributions to the Canadian economy. Their businesses tend to be smaller than male-led businesses, but they tend to create more jobs.
- The contribution of women entrepreneurs to innovation is unrecognized because innovation in Canada is associated with science and technology and technological advances of products.
- The OECD uses a broader definition of innovation, "the implementation of a new or significantly improved product (good or service) or process, a new marketing method, or a new organizational method in business practices, workplace organization or external relations." This definition can create an inclusive innovation framework that broadens the definition of innovation.
- Women entrepreneurs are perceived as less innovative because their businesses are concentrated in the service sector and they are under-represented in the science and technology sector.
- Women entrepreneurs' innovation includes development of new products and services, new ways of marketing, new processes and value-added to communities.
- Innovation by women entrepreneurs is inhibited or disrupted by lack of access to capital, ageism, sexism and harassment from investors and clients.
- Innovation is key to women entrepreneurs' growth and sustainability.
- Collaboration and partnerships are key to innovation. Women entrepreneurs will often collaborate with competitors to advance all their businesses.
- Drivers of women entrepreneurship innovation include the desire to start a business, create a better product or service, provide access to services that did not exist, meet client needs and challenges, and remain competitive in their market.
- Indigenous women are innovating in all aspects of their business. They face the same challenges as all women entrepreneurs but they have additional burdens of prejudice, possible lack of support from family and community, lack of role models, often more child and family responsibilities, lack of business training and lack of access to high-speed internet in remote communities.

- Access to grants is often difficult and too time-consuming. Women entrepreneurs lack the knowledge that grants exist. Many grant programs have narrow criteria that excludes business sectors occupied by women entrepreneurs. Applications are bureaucratic and not written in simple language.
- Incubators and accelerators were considered desirable by women entrepreneurs because they provided access to ideas, knowledge, business skills, funding and space for collaboration. Many incubators provided access for a maximum of 6 months, which was regarded as too short by some women. Women did not feel welcome in programs that were targeted to tech entrepreneurs.
- Women entrepreneurs expressed a need for mentoring programs and networks.

Recommendations for government include:

- Develop all programs and policies using Status of Women Canada's Gender Based Analysis Plus (GBA+) analytic tool.
- Include women entrepreneurs in the design, development, implementation and management of all programs, policies and grant development.
- Assess and track who is accessing grants and loans to ensure that women are benefiting from them equitably and to establish a baseline against which to measure progress.
- Encourage inclusive innovation within hubs, incubators, and accelerators with provinces and cities and make it a condition of receiving federal funding.
- Promote and highlight the contributions of women-owned businesses to innovation in Canada and abroad.

Recommendations for financial institutions include:

- Create a holistic strategy for attracting and retaining women entrepreneurs as clients.
- Recognize that women entrepreneurs often start small to ensure sustainability and be prepared to endorse smaller loans at start-up.
- Address women entrepreneur's perception that their loan application will be turned down.
- Examine traditional assumptions in loan approval criteria with a gender lens and address unconscious bias in preparing the assessments.

- Track and monitor women entrepreneurs' loan rates and payback rates and share this information as part of an overall strategy to dispel myths about women entrepreneurs.

Recommendations for women entrepreneurs include:

- Establish a relationship with financial institutions well before loans are needed.
- Support other women-owned businesses by using their services and purchasing their products.
- Join networks that provide access to information about financing, investment and grants.
- Take advantage of available programs for support, possible funding and additional business knowledge.
- Continue to inform governments of women entrepreneurs' needs for childcare and maternity benefits.

A key recommendation regarding Indigenous women entrepreneurs is the following:

- Fund Aboriginal Financial Institutions to offer training on how to start a business, financial literacy and financial management. Require that Indigenous women be involved in the design and implementation of the training. Following the training, ensure that money is available to make loans to participants for start-up and growth.

Positive Report Attributes:

- The report is easy to read with ample headers to specify the subjects being addressed.
- Numerous photos of women to reinforce the research focus.
- Reinforces challenges experienced by women entrepreneurs that also affect innovation, such as reduced access to networks, difficulties accessing funding, and the gender gap related to the use of technology that exists.
- Examines issues pertaining specifically to Indigenous entrepreneurship and Indigenous women's entrepreneurship such as the contribution to community development by Indigenous entrepreneurs and the challenges of Indigenous women entrepreneurs.
- Provides recommendations to government, financial institutions and women entrepreneurs to advance innovation by women entrepreneurs.

Report Limitations:

- Relies on aged data (i.e., Small Business Economics, 1999).
- Focusses on innovation and women entrepreneurship only in Canada.

3. The State of Canadian Women's Entrepreneurship, Report Summary, 2019

Purpose: VISA Canada undertook this research to understand what challenges and motivates women small business owners in Canada and identify ways to empower women to achieve greater success.

Methodology:

The report summarizes the findings and recommendations of:

- Online survey of 895 business owners/decision makers across both genders
- An analysis of women entrepreneurs who have businesses with annual revenue greater than \$30,000

Main Findings:

Snapshot of women small business owners and their businesses include:

- Average age is 51
- 24% have children under 18 years of age
- 69% are sole owners; 31% are part-owners
- Average years in business is 16
- Average annual revenue in 2018 was \$470,000
- 47% have 1 to 10 full time or part time employees
- 41% have family members on staff

Top motivators for starting a business include:

- Financial independence
- Flexibility
- Better balance for work and family life
- Create own environment
- Make more money

Men were significantly higher motivated than women by making more money. Women were significantly more motivated than men by better balance for work and family life and by creating own environment.

Top challenges faced by women when starting their business include:

- Finding the tools to grow and manage their business
- Growing as fast as I needed
- Raising capital/funding
- Keeping up with industry changes and trends
- Dealing with the competition

Top challenges faced by women once established include:

- Finding new customers
- Sustaining long-term success
- Raising funding
- Finding employees
- Work/life balance
- Finding a support network
- 73% of women self-funded their business, 14% used a business loan, and 37% found it difficult to obtain funding.
- 69% of men self-funded their business and 20% used a business loan
- 84% of women feel empowered as an entrepreneur, but 67% of women felt that it takes 5 years to feel empowered as an entrepreneur

Positive Report Attributes:

- The report is concise and easy to read with graphs and images that concisely illustrate data.
- Uses multiple photos of women to reinforce the research focus.
- Separately reports on challenges faced by women entrepreneurs when starting a business and once established.
- The report identifies significant disparities between male and female survey results pertaining to motivations and challenges.
- The report uses an effective graphic of a growing plant that links the growth of a woman's business with the challenges faced toward empowerment as an entrepreneur and the opportunities to provide useful tools for women.
- The report links survey results with e-commerce and the opportunity for women business owners to use social media, e-commerce and online payment systems to grow their business.

Report Limitations:

- A report summary is only available to the public. VISA Canada has produced a full report, but the report is confidential and not accessible to the public.

4. Women Entrepreneurship in Canada, 2018

Purpose: Women Entrepreneurs Saskatchewan commissioned the study to understand the reasons for the low entrepreneurship rate of women and the hurdles women are facing in becoming entrepreneurs.

Methodology:

The report summarizes the findings and recommendations of a literature review pertaining to women entrepreneurship in Canada and Saskatchewan.

Main Findings:

Economic impacts of women entrepreneurship are as follows:

- In 2017, the female share of entrepreneurship in Canada was 37%, less than the female share of employment in Canada which was 48%.
- Only 16% of small and medium businesses in Canada were majority-owned by women, with aggregate revenue of \$148 billion in 2011.
- The share of female self-employment, by province, is highest in Nova Scotia and lowest in Prince Edward Island. The female share of self-employment in Saskatchewan was 34%, lower than the national average.
- In 2014, women-owned SMEs were most common in Ontario, BC and Quebec.
- The 2016 Global Entrepreneurship Monitor reporting that only 12.3% of the female population in Canada was involved in early-stage entrepreneurial activities compared to 20.3% of the male population.

The portrait of women entrepreneurs in Canada includes the following:

- Women tend to engage in early-stage entrepreneurial activities at a later life cycle stage than men. The gender gaps in participation in entrepreneurship is largest in the 18 to 24 and 25 to 34 age ranges.

- Within established business enterprises, the gap in participation rates between men and women is smaller.
- Both women and men involved in early-stage entrepreneurial activities are highly educated. Women outpace men with post-secondary and college/university degrees.
- Women are educated significantly less than men in education in science, technology, engineering and mathematics, which is perceived as critical to new enterprise development in high technology areas.
- Both men and women are motivated to start a business for greater freedom and flexibility. However, more women are driven to entrepreneurship for income security and life balance.
- In 2014, female owned SMEs were concentrated in the service sectors of cultural industry, administration, health care and recreation, real estate and retail trade whereas men-owned SMEs are focussed in construction, wholesale trade, manufacturing, transportation and warehousing and professional, scientific and technical services.
- In 2014, women owned businesses were predominant in firms with employees of 1 to 4 and 5 to 19.

Barriers experienced by women entrepreneurs include the following:

- Lack of financing is a key constraint for women. Women rely more on internal sources of financing, such as their own savings or loans from family and friends.
- Women tend to not seek external financing due to the following:
 - Lack of confidence due to barriers of traditional constructs of gender, economic power and expectations.
 - Women who pursue entrepreneurship for work-family balance, or at a late age, may be less likely to pursue aggressive growth strategies.
 - Women traditionally operate in service sectors that require less capital.
 - Women, on average, have lower incomes than men so they start small due to less savings to invest in their business.

- The rejection rate for financing is significantly higher for majority female owners than majority male owners due to the following:
 - Women face gender discrimination by financial institutions, and they are more likely to be denied a loan or to be asked for additional guarantees while facing higher interest rates.
 - The venture capital market is biased regarding the capability of women entrepreneurs. Female founders have to work harder and receive far less investment than men.
- Networks are identified as the most important driver for women's entrepreneurial success. However, mainstream networks, incubators and accelerators are often not welcoming to women entrepreneurs.
- Mentorship plays an important role in developing successful entrepreneurs. Given the relatively small participation of women in business, women entrepreneurs are less likely to have access to role models, mentors and training oriented toward their needs.
- Women entrepreneurs face more work-life challenges than men and require extra support to address the unique challenges.
- In countries that provide generous amounts of paid family leave, women tend to build larger, higher-impact, and more scalable enterprises. The Norwegian government set clear targets for female representation in entrepreneurship and provided enhanced rights to maternity leave for self-employed persons and increased grants to micro-credit projects.

Recommendations to increase the female share of entrepreneurship include the following:

- Support women to “lean-in” rather than “fall-back” to entrepreneurship by establishing policies aimed at providing more external assistance to families and incentivizing men to participate more in raising children, especially for women who want to become entrepreneurs.
- Fund the creation of networks of experienced businesswomen to provide mentoring, emotional support, and training to young women entrepreneurs.
- Provide training and education to women in traditionally male-dominated sectors.
- Provide venture capital funds dedicated to women only.
- Conduct further studies to identify gender-inequality in inputs to entrepreneurship and reasons of under-performance of women in Saskatchewan.

Case studies that demonstrate how hurdles can be addressed for women entrepreneurs in Canada include:

- The United States has a strong network of public and private institutions that support the creation and growth of women's ventures. The Office of Women's Business Ownership uses a network of Women Business Centres to provide management and technical assistance to foster the participation of women entrepreneurs in the economy. The US also has a gender procurement policy with a 5% set-aside for eligible and certified women-owned small business.
- The European Commission supports networking among female entrepreneurs, potential female entrepreneurs and support organizations.
- In Finland, several public programs and projects have been initiated to encourage female entrepreneurs in science and technology sectors.

Positive Report Attributes:

- The report provides comparative data with women-owned and men-owned enterprises, in charts, which helps to illustrate the gender gap between women and men entrepreneurs.
- The report contains numerous statistics including from Statistics Canada and Global Entrepreneurship Monitor.

Report Limitations:

- Relies on aged data (i.e., Industry Canada, 2010).
- No images of women entrepreneurs to reinforce the research focus.
- The report was prepared solely for the use and benefit of the Women Entrepreneurs of Saskatchewan.

5. Women-owned Enterprise in Canada, 2018

Purpose: Statistics Canada conducted an analysis of available statistics to provide insight into women-owned businesses and fill the statistics gap on businesses by gender.

Methodology:

The report summarizes the findings statistical analysis, by gender of the Business Owner Module of the Canadian Employer-Employee Dynamics Database.

Main Findings:

- Women-owned businesses are under-represented in the Canadian economy.
- The average number of businesses, between 2005 and 2015, was 1,019,400 owned by men and 275,300 owned by women.
- The growth rate of women-owned enterprises was higher than men-owned businesses. From 2005 to 2015, the number of women owned business grew by 33% compared to 22% for men-owned businesses. In the same period, employment in women-owned businesses grew by 20% compared to 8% growth in men-owned businesses.
- Women-owned businesses were more prevalent in the service industries including educational services, health care and social assistance, and arts, entertainment and recreation. In contrast, men-owned businesses were more prevalent in transportation and warehousing, construction and primary industries of agriculture, forestry, fishing and hunting and mining, quarrying and oil and gas extraction, and utilities.

- Women-owned businesses were more prevalent among smaller enterprises with no employees, fewer than 5 employees and 5 to 19 employees. Men-owned businesses were high among all size categories, but they have a significantly greater share of employees with 20 to 99 employees and 100 employees or more.

Positive Report Attributes:

Provides the analysis of data, as follows:

- Unincorporated businesses and private corporations in Canada
- Spans the period of 2005 to 2013
- Compares male-owned, women-owned and equally owned private businesses
- Compares data at the national level and by province or territory
- Contains charts and graphs to illustrate data in a concise manner
- Acknowledges that promoting women's business ownership and improving the performance of women-owned enterprise fosters gender equality in leadership and the economic empowerment of women
- The comparison between male-owned and women-owned businesses is effective at demonstrating gender gaps

Report Limitations:

- No images of women entrepreneurs to reinforce the research focus.



