

START WE UP - A NEW MANIFESTO FOR WOMEN'S ENTREPRENEURSHIP AREAS OF INTERVENTIONAND OBJECTIVES

TOWARD LEGISLATIVE PROPOSALS AT THE NATIONAL AND EUROPEAN LEVEL

ABSTRACT

The Manifesto "Start WE up - Let's ignite women's entrepreneurship" is the result of a long and fruitful discussion with numerous business associations, professionals, economists, academics, gender policy experts, communicators and politicians.

The document we are presenting seeks to indicate to stakeholders and institutions and policy makers, a set of proposals and ideas to relaunch a still largely unexploited and potentially driving productive force such as women's entrepreneurship.

We would like to shine a light on this hopefully growing slice of the Italian economy, starting with a snapshot of what it is and what it could be.

>>>> The current economic situation of the country and the Eurozone

Our country and the European Union are grappling with a very particular economic and political situation, full of opportunities, but also a period of uncertainties and dangers.

The Eurozone and Italy may have averted the risk of recession in 2023, but inflation continues to bite and remain at excessively high levels, just as the credit crunch is not helping households and businesses, nor is it contributing to reviving investments that will help the productive fabric to innovate.

The only real boost, despite the delayed implementation of the plan, is

the Next Generation EU and the Italian National Recovery and Resilience Plan (PNRR).

However, the European Commission's most recent forecasts pointed to a labour market that is just as vigorous as ever, currently strengthening the resilience of the EU economy. As expressed by Eurostat, the unemployment rate in the Union reached a new record low of 6.0% in March 2023 and participation and employment rates are at record levels. With the easing of the Covid 19 Pandemic and the subsequent rebound with important figures for the global, European and Italian economies, we now see a weaker phase of growth, which is holding out despite the winds of war and uncertainties related to energy and beyond.

Early 2023 delivered growth prospects for the EU economy with the GDP currently forecast at 1.1% in 2023 and 1.6% in 2024. Wage dynamics would also seem to signal a trend of moderate increases, which is very appropriate for our country, which has been left behind on wage and productivity growth for decades.

Italy, still characterised by high public debt, now at 140%, nevertheless sees real GDP in Italy declining from 3.7% in 2022 to 1.2% in 2023 and 1.1% in 2024. Despite the declining resilience of the Italian economy, the European Commission has confirmed that in 2023 Italy will record better-than-expected growth, which places it among the top 3 European economies in terms of performance.

>>>> A snapshot of the country and women's enterprises

Let us start with some necessary specifics: the profession of woman entrepreneur does not belong to a category that is disadvantaged by nature or destiny, but it is certainly a category that is not adequately legitimised and recognised. It is not taken into the same consideration, despite numbers that are already significant and could grow even more. Women entrepreneurs, in fact, lead more than one-third of all Italian companies.

As we can see from the findings of the Fifth Report on Women's Enterprises by Unioncamere, presented last July, there are 1.342 million women's enterprises in Italy, equal to 22% of a total of 6 million active enterprises in the country.

The Report also shows that last year there were 6,000 fewer women's

enterprises active compared to 2021. Italian enterprise, as well as specifically women's enterprise, is still undergoing the effects of the pandemic and is negatively affected by the war and the energy crisis. The face of women's entrepreneurship in our country is also being transformed.

Compared to previous years, far fewer women set up businesses in sectors such as agriculture, trade, manufacturing and tourism, which have traditionally seen a strong presence of women. The Women's Entrepreneurship Observatory of Unioncamere and InfoCamere, tells us of a country in transition, with women entrepreneurs having a greater vocation for innovation. Compared to the last survey, there are 2,000 more enterprises run by women in Professional activities, almost 1,500 more in Real Estate activities, about 1,000 more in Communication services and Financial activities, 800 more in Rental, Travel Agencies and Business services.

It turns out that the South is the area where the presence of women in the entrepreneurial fabric is greatest: compared to a national average of 22%, in the South, women's enterprises reach 23.7% of the area's total (more than 494,000 women-run enterprises in absolute terms), while in the North the percentage of women-run enterprises stops at 20% (551,000). In Central Italy, women entrepreneurs are consistently present, accounting for 23.1% of the total entrepreneurial activity in the distribution (more than 296,000 enterprises led by women).

Looking at the regional data, the region with the largest number of women's enterprises is Lombardy, with about 182,000 women-run enterprises representing over 36% of the national total, followed by Campania (140,208), Lazio (140,088), Sicily (116,722) and Veneto (97,293).

Analysing the data of the last two years in particular and the 2022/2023 economic outlook, we can certainly state that despite the weight of the "sandwich generation" repeatedly highlighted during the pandemic and in which all the fragility of our welfare system has emerged, women have been able - once again - to roll up their sleeves, resisting as best they could, and in some cases, giving rise to new innovative productive activities.

Women were among the most proactive in investing in digital (+14%) also to favour a different and better organisation of company tasks and a new way of boosting labour productivity; they invested in the green sector (12%) to improve efficiency, mostly in the South, favouring

industry over handicrafts.

These are the new women's enterprises, companies born after the pandemic and that want to pursue the (not only) European challenge of the ecological and digital transition.

Then there are the women entrepreneurs, whose numbers have grown in double figures in recent years to the extent that they now account for over 22% of Italian private enterprise.

Smaller in size and turnover than their male colleagues: a cautious attitude and a credit gap behind them.

According to sector studies and surveys by Gruppo Donne Confimi Industria and Le Contemporanee, the issue of access to credit continues to be crucial for the development of entrepreneurial activities and becomes even more crucial in a phase such as the current one, after the central banks (FED and ECB) have decided upon a substantial rise in interest rates, which has not yet been concluded, according to the latest estimates of the most attentive analysts and what has been leaked from the latest Board meetings in Frankfurt.

The issue of credit is decisive and also a major watershed for attitudes and behaviour between those who are about to embark on the business of entrepreneurship and those who have been practising it for some years. The initial gap for those approaching the subject of credit for the first time is very high, while practice and advice help the business grow and the entrepreneur alongside it.

However, the data of the Gruppo Donna of Confimi Industria from an observatory with a total of about 45,000 enterprises (run by men as well as run by women), confirm a financial fragility: enterprises started by women have a shorter life span than those started by men, almost 20% close after three years from being launched, a percentage that exceeds 30% after the fifth year of activity. By contrast, there is no real north-south divide. It is therefore necessary to act effectively and quickly on this front, and precisely in this historical period, if we do not want to end up in a few years' time counting further victims of the credit crunch and lower financial skills also due to cultural and social legacies.

Women, when educated and aware of the financial means at their disposal, also turn out to be quite expert entrepreneurs: in fact, they are the biggest users of alternative forms of finance. And they do

so by mainly using subsidised finance instruments, often relying on cooperative credit banks (38%) and relying more on credit institutions with a more pronounced territorial connotation than large banks of national character (41%).

Looking at women's enterprises from the Confimi Industria and Donne Confimi Industria observatory, they are mostly present in the regions of Lombardy, Veneto and Puglia, with companies operating mainly in the service/trade/tertiary sectors (almost 40%), mechanics (25%) and food (8%) and are small in size: four out of ten invoice EUR 500,000 each year, followed by 25% with a turnover of up to EUR 3 million and 13% with up to EUR 10 million invoiced each year.

This is also a useful snapshot for understanding the transition between new and old generation entrepreneurs: in fact, 15% of the sample surveyed had at least 20 years of experience behind them. A female entrepreneurial fabric with more than 70% of these entrepreneurs being women alone at the helm, followed by those who are more often involved in managing the economic and financial aspects of the business.

In spite of their experience, 60% of the Confimi Industria sample, who also answered questionnaires to identify problems and possible answers expected from our country's institutions contained in our Manifesto, mention that it is still difficult for a woman to run a business.

The two main obstacles identified are the difficulty of reconciling private life and work life and the alleged lower credibility they have, compared to male colleagues.

On the podium of adversities, but only for one in ten women entrepreneurs, are difficulties in accessing financial resources.

Confimi's women entrepreneurs in the manufacturing sector, in facing the challenges of the market, state that they want to see improvement on certain areas: budgeting/financial forecasting (38.7%), the introduction of KPIs/indices of business process performance (33%), and the elaboration of development plans (28.3%).

Almost 65% of women entrepreneurs promote welfare policies in their companies. These are primarily: work-time flexibility (89%), income support (29.3%), sustainable mobility (16.2%).

Two out of three female entrepreneurs are interested in training programmes for themselves or for senior managers: on the podium

of needs is coaching on their skills (61.6%), team building (22.2%) and mindfulness (16.2%). While among the skills considered most important, female entrepreneurs identify the ability to make connections, identify opportunities and persevere with the established goals.

On the sensitive issue of generational handover, 33% of the sample surveyed considered it useful to involve a professional to deal with the matter in the company. This is a need also found by those who do not foresee their children joining the company in the near future.

In a year that has seen the SME production sector transforming and enriching itself with digital skills, women-run businesses seem to have been the most responsive: 98% said they use ICT technologies in their companies. At the top, besides e-mail clients, are home banking and PA services. Only one in three, on the other hand, use them for the management of their e-commerce site.

And it is always female entrepreneurs who see the future in digital. For more than 90%, investing in ICT is synonymous with supporting innovation processes (30%), streamlining business processes (36.4%), promoting their company and opening up new markets (26%).

Women business leaders confirm their attention and sensitivity to the green transition and, when expressing their preferences on what actions are useful for obtaining it, they showed interest in incentives and rewards for virtuous companies (40%), directing their choice towards environmentally aware business partners (18%), and involvement in land-related actions such as site remediation and natural heritage conservation (17.5%).

>>>> Equality, sustainability, growth

The Associations that contributed to the Start WE Up Manifesto and the promoting organisations, the Gruppo Donna of Confimi Industria and Le Contemporanee, agree that there can be no sustainable development without gender equality and that the world of work and entrepreneurship cannot be separated from a decisive path in this direction.

In addition to the presence of women in the workforce and across all professional and responsibility levels, specific interventions in the form of contributions, financing, capitalisation, appropriate in the different phases of the life cycle of the enterprise, and favouring access to

credit, financial and digital training, are needed to foster the birth and development of women-led enterprises.

And precisely at a time when the investments and projects of the National Recovery and Resilience Plan are gradually taking shape, we want to make available to the country and to the European Parliament a series of observations and policy lines so that the PNRR is a real opportunity for women entrepreneurs, triggering a change of pace from the past.

A new balance is indeed necessary and socially urgent. Not only for the achievement of the ambitious objectives of the Next Generation EU, but so that the change triggers virtuous cycles: we know, in fact, how much female employment generates wealth by reducing the risk of poverty of the many single-income families in our country, how much greater independence affects the birth rate and the risk of demographic recession is already a reality, and finally, how much they can contribute to the development of the so-called inland areas and/or rural areas by reducing travel to and from large urban areas and preserving personal and family life and care time.

>>>> The proposals

Le Contemporanee and the Gruppo Donna of Confimi Industria, in collaboration with the Representation of the European Parliament in Italy, and with the contribution of important associations and companies (listed at the bottom as contributors) have drawn up Start WE Up, a manifesto for a new women's entrepreneurship. The aim of this Manifesto is to implement and redefine opportunities and conditions related to women's entrepreneurship in our country and in the context of the EU.

The Manifesto represents a basis for institutional and inter-associative proposal and discussion that indicates a number of public policies and good practices to be implemented from both the political and business sides. Start WE Up is also an open and inclusive platform that seeks to involve the country and all players in the field in a permanent and public dialogue, in concrete projects that help companies and women in developing skills and achieving their growth and sustainability goals.

Convinced and firmly believing that social, cultural, economic and political change comes through a contamination of ideas and common projects, the Manifesto has identified some specific areas for action and some possible proposals, which are open to more concrete elaboration to become legislative proposals, suggestions for government action and indications for measures to be brought to the attention of the European Parliament.

The participants and attendees at the public meetings, at the technical working tables, women entrepreneurs who took part in the surveys administered during these months of work, highlighted the need to proceed on these fronts urgently and effectively.

• Single European definition of women's enterprise. Towards new competition and monitoring methodologies

As previously stated, there are more than 1.3 million women's enterprises in Italy, just over one in five (22%) according to Unioncamere data. Yet, there are probably many more. In Italy, in fact, a cooperative and partnership company is considered to be a woman-run enterprise if it is constituted of at least 60% women and joint stock companies are considered as such if at least two-thirds of its shares are held by women and at least two-thirds of its governing bodies are made up of women.

This is stated in Law 215/92.

A definition, however, that clashes with the productive and economic reality of our country, 92% of which is made up of SMEs that are mostly family-run, companies and industries that are handed down from generation to generation, indiscriminately to daughters and sons.

A mapping of SMEs showed that 81% of partnerships have female partners and in slightly more than one in two companies (54%), female partners serve as sole director or president. But it doesn't stop there: in nine out of ten companies, women hold top positions: administrative managers (41%), sales managers (22%), acquisition managers (22%), marketing and HR managers (15%).

The situation is similar for joint stock companies, which are present in greater numbers within the industrial system: 66% of companies have female shareholders. And in almost eight companies (77%) out of ten, they hold senior roles.

Numbers that would bode well were it not for the fact that by law only 14% could be defined as women-run.

Precisely in order to protect and enhance the specificities of the

SME system and at the same time not penalise female entrepreneurs who are actively involved in business management, we propose to circumscribe a new definition of women's enterprise while being careful to maintain the concept of majority share.

Specifically, we would like cooperative companies and partnerships, where at least 51% of the employees are women, and joint stock companies, at least 51% of whose shares are owned by women and/or at least 51% of whose boards of directors are constituted of women, to be considered as women's enterprises.

Definition of women's enterprise which - when it is implemented - should also be able to be extended to those companies that: have certified gender policies;

have a majority of women in key management roles.

In this regard, as is already the case for listed companies, a threshold of female participation should also be established in company boards. The women's enterprise should be a forerunner to management models based on flexibility in the full spirit of the social importance of work-life balance, and should be oriented towards performance measurement criteria based on objectives, freeing it from the logic of presence and co-presence.

• Common European definition of women's enterprise

The obstacle is not only an Italian one. The EU itself, which promotes women's empowerment, has significant legislative gaps: there is no single definition of women's enterprise valid for all member States. It would be a good idea to start at the European level to raise awareness of the usefulness of establishing the typical normative characteristics of the case, as was the case for the notion of SMEs, with the proposed criteria of 51%.

There is an urgent need to overcome the definition of 'female entrepreneur' contained in the European Parliament resolution of 13 September 2011 on women's entrepreneurship in small and medium-sized enterprises (2010/2275 - Official Journal of the EU EC 51/56), which states that "a female entrepreneur can be defined as a woman who has created a business in which she has a majority shareholding and who takes an active interest in the decision-making, risk-taking and day-to-day management".

>>>> In summary

It is necessary to act on existing regulations in Italy and in Europe, in order to arrive at a single, modern definition of women's enterprise. It is useful to avoid competition problems with a view to a single European market and greater capacity to measure the performance of women's businesses (as is already the case for SMEs, for example) and to analyse the public policies applied in individual countries to foster the growth and development of companies with a strong presence of women.

Therefore, a system of periodic monitoring of the fulfilment of the definition requirements should be introduced.

In Italy, the definition of women's enterprise is stuck in 1992 and does not take into account the actual production fabric, so much so that the same analyses conducted by the Observatory for Women's Entrepreneurship of Unioncamere and InfoCamere use a different yardstick than the standard one, considering "women's enterprise" to be that business with at least 51% ownership by a woman or women. Given value in the definition of women's enterprise is not only the ownership but also the governance, which should be by an absolute majority of women.

• Incentives for women's business creation, tax breaks on labour costs, wage increases.

The funds currently available are too scarce to have a real impact in line with the results desired by the PNRR and to increase female employment, an employment that will increasingly have private enterprise and self-entrepreneurship initiatives as its horizon, especially with a view to the next generations, their wishes and future expectations. It is necessary to look at the creation of new women's enterprises, but also to watch over the consolidation of existing ones: they have been growing at a much faster rate than men's in the last five years: +2.9% versus +0.3%, but it is also true that they are the most fragile in the long run. Five years after birth, in fact, women's enterprises survive less than other enterprises.

In Italy today only 52% of women are employed, just over one in two women.

And if the value of increased female employment per se is not quantifiable, looking at the State's pockets, we are going to cut down on the accumulation of survivor's pensions - received almost entirely by women - which has a weight of 2.6% of the GDP.

>>>> In summary

Yes to increasing the current funds available at both the national and regional level for women's entrepreneurship. Let us not forget that 22% of enterprises in Italy are women's enterprises. In view of the objectives of the PNRR, a permanent fund should be envisaged, decoupling it from the logic of time-based incentives. Start WE Up says yes to further, progressive cuts in the contributory tax wedge and yes to the introduction of the minimum wage in Italy, as indicated by the European Parliament.

• Criteria for access to public tenders by private companies, monitoring of PNRR investments also from a gender perspective and of credit granted by financial institutions

In line with the NEXT GENERATION EU's criteria of inclusion and social cohesion, the bar for gender equality must be held firmly.

Whether due to bureaucratic routes (41%), company size (32.4% think that the PNRR will only affect large companies), or the uncertain timing of the disbursement of funds (20%), almost one in two women's companies believe that the PNRR will not have a direct impact on their company.

Yet, almost all women entrepreneurs see in the PNRR a real opportunity for change: more social than economic.

In order to curb the exclusion of women entrepreneurs and new female talent from core areas of the PNRR such as Green and Digital, it is proposed to allocate a share of the resources to so-called women's enterprises and requested to introduce gender equity and gender balance as a requirement in calls for tenders.

Only a scant 1.3% of women entrepreneurs, in fact, believe that their skills are sufficient to compete in such sectors.

The glass ceiling is felt more strongly than ever, and the PNRR represents an opportunity to break through it.

To trigger change, each project sh

ould also indicate the gender impact of the investment itself. A permanent inter-ministerial or inter-parliamentary commission should be established to deal with gender impact assessment at every stage of the projects.

>>>> In summary

Ensuring that the new procurement code or more specifically, the Entities DL, contains the gender certification requirement. Maximum attention in the coming months on the actual implementation of the so-called "pink label" in the implementing of regulations that will be the real guidelines for public tenders.

Instead, solutions such as click days and systems that reward bureaucratic speed over the quality or socio-economic impact of fundable projects should be abandoned, also for the purpose of the enhancement of the proximity network of trade associations. That a clear allocation of resources to female entrepreneurs and freelancers be introduced, based on the monitoring of expressions of interest.

Initiating gender-based monitoring of credit granted by banks and other financial institutions to new businesses started by women and started by men.

• Welfare and enterprise: increasing services with virtuous publicprivate mechanisms.

Italy had pledged to meet the targets it had set in the PNRR and with Europe to reach the minimum target of 33% of preschools. Preschools are an incentive for mothers and working women to return to work and are an essential educational tool for boys and girls, an integral part of the right to school from early childhood onwards.

>>>> In summary

Start WE Up calls for committing the EUR 4.6 billion foreseen in the PNRR to reach a target of at least 33% public preschools. Additional financing and funds are requested for the financing of vouchers for care and assistance services, based on the French CESU model, payable directly to individuals and families, expendable with private preschools and for baby-sitting and care of the elderly and dependent persons, up to a ceiling of EUR 5,000 gross per year per individual principal.

Private facilities providing care and assistance services will have to be subject to minimum requirements in line with the public offer and the essential levels of services in this sector. This instrument would favour private entrepreneurship initiatives in the service sector and

self-entrepreneurship initiatives.

At the same time, it should proceed with the implementation of Law 32/2022, which aims at supporting parenthood and the social and educational function of families, counteracting the decline in the birth rate, and facilitating the reconciliation of family life and work, particularly for women.

• Culture, education, literacy on economics, finance, green and STEM

In Italy, out of 100 women graduates, only 16 are in STEM subjects. Accomplices are social convention and family pressures, lack of knowledge of the real professional outlets deriving from scientific subjects, and the uneven spread of educational paths and job opportunities throughout the territory.

A clear strategy is needed to reverse the trend, given the gap with male colleagues (37 out of 100 graduates in STEM disciplines) and with European estimates (6.7% Italy - 13% EU average).

To invest in training and culture on decisive subjects, we have arrows in our quiver thanks to the PNRR, but with a necessary proviso.

Today, the green and digital sectors are almost entirely the appanage of the male world. In the digital labour market, only 17% of the employed are women; it is no better in the climate and green sector (i.e., construction, transport, energy, renewables) where the female presence is between 10 and 20%.

The current overall framework devotes 57% of the funds to climate and digital. We run the risk of a PNRR made of opportunities more for men than for women. In order to prevent an opportunity from becoming a further gap, it is necessary to invest in training projects at every level: schools, universities, research institutes and companies, active employment policies, territorial hubs for training and the creation of traditional companies or start-ups with a high rate of green, digital and innovation in production processes as well as attentive to the social impact (CSR).

We must strive to ensure that all the measures implemented in the various sectors take this imbalance into account, making sure that there is an ex ante and ex post gender impact assessment on every measure launched in our country.

A need that is already evident for budget laws and every important law in this country, which the Next Generation EU and the PNRR turns into a real urgency.

>>>> In summary

TAmong the targets shared by the Manifesto is the zeroing of the gender gap in Internet access by 2026 and the closing of the gender gap in basic digital skills, without which there can be no active participation and civic and social leadership of women;

increasing the employment of women in the ICT sector to 30% by 2026;

the achievement, by 2026, of 45% of women on the Boards of listed companies, 40% of women on the Boards of unlisted private and public companies, and 35% of women in top positions, to concretely recognise their authority in decision-making contexts - public and private - in the digital world;

the achievement of a 45% quota of women at decision-making tables for the creation of smart cities, smart economy and smart environment platforms;

35% of start-up funding under the PNRR for tech companies led by and composed of women; funds and non-repayable incentives (10%) for digital start-ups and innovative enterprises led by and composed of women.

Making female students and young women more and more protagonists of the digital world, promoting access to technical-scientific education with the goal of reaching, by 2026 at the national level: girls comprising 50% out of the total number enrolled in Technical-Scientific Institutes; female students comprising 30% of those enrolled in ICT degree courses out of the total number of enrolled students; female graduates comprising 20% of those enrolled in ICT degree courses.

Providing girls and young women with concrete tools to accelerate school-university-work transitions, preferential corridors for school-to-work activities dedicated to female students; involvement of private and public enterprises in training-to-work actions; doctorates, scholarships and discounts on university fees for women pursuing university education in ICT disciplines already from the 2023-2024 academic year; activation of mentorship paths for women while attending ICT degree courses to counter the "drop-out rate" in the first years; compulsory training, at all levels of education, on digital technologies and gender stereotypes.

• New active labour policies and self-entrepreneurship: testing new training models, HUBs and incubators for female entrepreneurship, with institutions, companies, the third sector and academia.

As shown in the questionnaires administered by this Manifesto promoted by the Gruppo Donna of Confimi Industria and Le Contemporanee, as many as two out of three female entrepreneurs are interested in training programmes for themselves or for female senior managers. And with self-assessment processes that identify three main areas on which to intervene cyclically: self-awareness and leadership (coaching on one's own abilities), team building (aimed at cooperation), mindfulness. And despite the fact that several pathways exist to improve knowledge and skills in areas and sectors that are typically hostile or where women have historically had little quantitative presence, these are used by only one in two female entrepreneurs. The cause? Courses are poorly communicated (54%), or are organised at times that are incompatible with the needs of those running a business.

>>>> In summary

The concrete and long-term objective of the Start WE Up Manifesto is precisely to create a "prototype", a replicable benchmark for enterprises and institutions specifically dedicated to young and not-so-young women who want to build a business, reinvent themselves, get a foot in the door of the labour market starting from themselves and their own abilities and desire to learn new things, network, be guided by experts in various sectors. A training centre and a business incubator that starts in Lazio, Rome and speaks to the world of universities, companies and the third sector, convinced that innovation passes through the sharing and intertwining of knowledge and experience and a shared and enterprising vision for a future that is already here.

PROMOTERS

LeContemporanee and the Confimi Industria Gruppo Donna

PATRONAGE

Ministero delle Imprese e del Made in Italy and Unioncamere

CONTRIBUTORS TO THE REALISATION OF THE MANIFESTO

Alleanza delle Cooperative FuoriQuota

Allianz Bank GammaDonna

ANC - National Association of Inclusione Donna

Accountants inGenere

Base Italia Innova Finance Coldiretti Obiettivo5 srl

Conflavoro SME Professione in

Coordinamento Donne FamigliaSchneider Electric nel Mondo Soroptomist International of

Donne 4.0 Italy

Enea - Donne in classe A Spitelli srl

EWMD - European Women's Stati Generali delle Donne

Management and Development Tonucci&Partners

Network Unioncamere

Fipe-Confcommercio Young Women Network