



YEPA Workshop 2
Young women in innovative and high-growth entrepreneurship
Discussion Note | 17 October 2023 | Group C



Legal notice

This note was prepared with the financial support of the European Commission, Directorate-General for Employment, Social Affairs and Inclusion.

The opinions expressed and arguments employed herein do not necessarily reflect the official views of the OECD member countries or the position of the European Commission.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

1. Note by Türkiye:

The information in this document with reference to “Cyprus” relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Türkiye recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Türkiye shall preserve its position concerning the “Cyprus issue”.

2. Note by all the European Union Member States of the OECD and the European Union:

The Republic of Cyprus is recognised by all members of the United Nations with the exception of Türkiye. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

Young women in innovative and high-growth entrepreneurship

Why is innovative and high-growth entrepreneurship for young women entrepreneurs a priority policy issue?

The long-standing gender gap in entrepreneurship starts among young entrepreneurs. In 2022, young men were 1.6 times more likely to be self-employed than young women in the EU. This was nearly as wide as the overall gender gap in entrepreneurship, where men were 1.7 times more likely to be self-employed than women. The gender gap is even wider among high-growth potential start-ups. Only 15% of high-growth potential start-ups (see [Box 1](#) for brief definitions) have at least one woman among the founders and less than 6% of these start-ups are solely founded by a woman (Lassébie, J. et al., 2019). Although this work did not consider the entrepreneur's age, it is highly likely that young women are less likely to be operating high-growth start-ups than young men. This gap represents both an enormous costs as well as a great opportunity for governments to tap into a latent pool of talent.

Box 1. Defining innovation and high-growth entrepreneurship

What is innovation?

Innovation is an important driver of economic and social change as well as job creation. Innovation can be a new activity in addition to a new outcome of an activity (OECD/Eurostat, 2018). More specifically, business innovations are any new or improved products or business processes that significantly differ from previous products/processes.

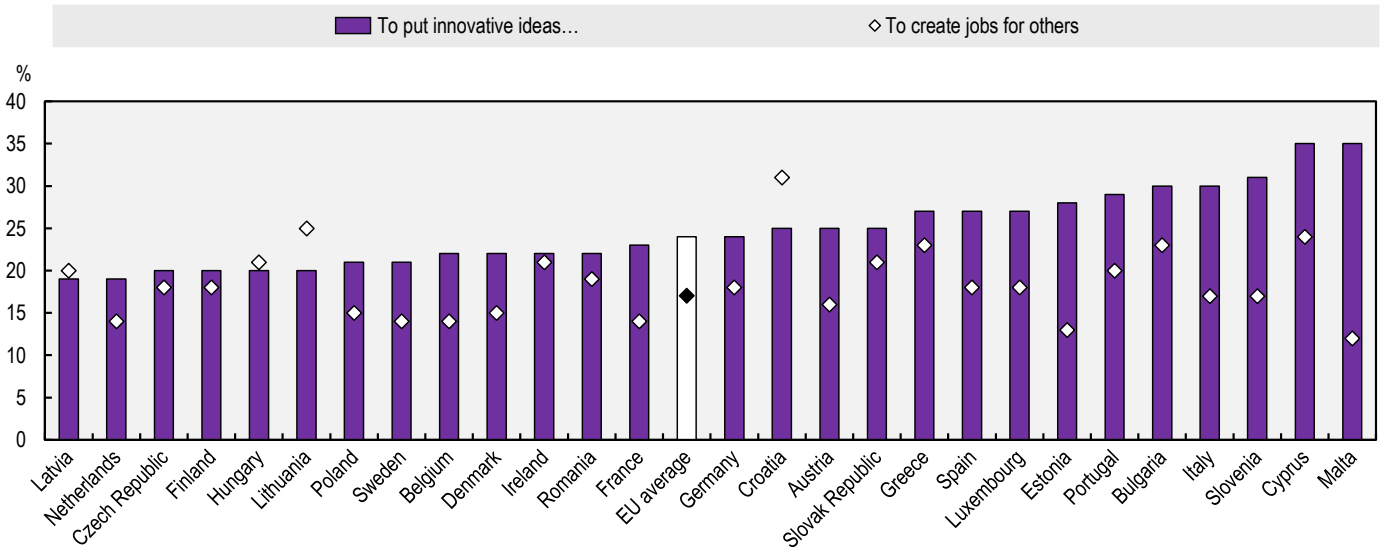
What is high-growth entrepreneurship?

The OECD and Eurostat define a “high-growth firm” as an enterprise with at least 10 employees and an average annual growth in employment or revenue exceeding 20% over three consecutive years (Eurostat and OECD, 2007), while the European Commission has a broader definition. According to the European Commission enterprises with 10% annualised growth in employment over three consecutive years that had at least 10 employees at the beginning of their growth are considered high-growth firms (European Commission, 2014).

While there are only a small number of high-growth start-ups, they contribute substantially to net job creation. For example, high-growth firms accounted for about 6% of all firms in the United Kingdom yet created 54% of new jobs (2005-08) (NESTA,2009). Similarly in Finland, high-growth firms (5% of all firms) created 89% of new jobs between 2003-06 (Deschryvere, 2008). High-growth firms accounted for less than 2% of all firms in Canada in the period 2009-13 yet generated 63% of total net employment growth (Rivard, 2020). Many countries report similar levels of net job creation by high-growth firms - about one in five new jobs created in the Netherlands and more than half of new jobs in France over five-year periods between 2001 and 2012 (Criscuolo, Gal and Menon, 2017). High-growth potential firms also drive competition, bolster the overall entrepreneurial ecosystems and often lead to knowledge spill-overs. Evidence also suggests that these firms can contribute to raising wage and income levels (OECD, 2019a).

Many young entrepreneurs reports that innovation is a motivator for entrepreneurship. About 25% of young entrepreneurs in the EU say that innovation is a primary goal for them to achieve by starting their business, while almost 20% report growth ambitions (i.e. they wish to create jobs for others) ([Figure 1](#)). However, these data cannot be disaggregated by gender, so it is difficult to estimate the size of the gender gap in these survey responses. Yet, other data suggest that female participation in innovative sectors has been consistently lower than that of men. For example, there were 76% fewer women than men working in the energy sector in 2018 (IEA, 2022). However, some progress has been made to increase gender diversity in this sector – the share of energy start-ups with gender diverse founders increased to 11% in 2021 from 3% in 2000 (IEA, 2022).

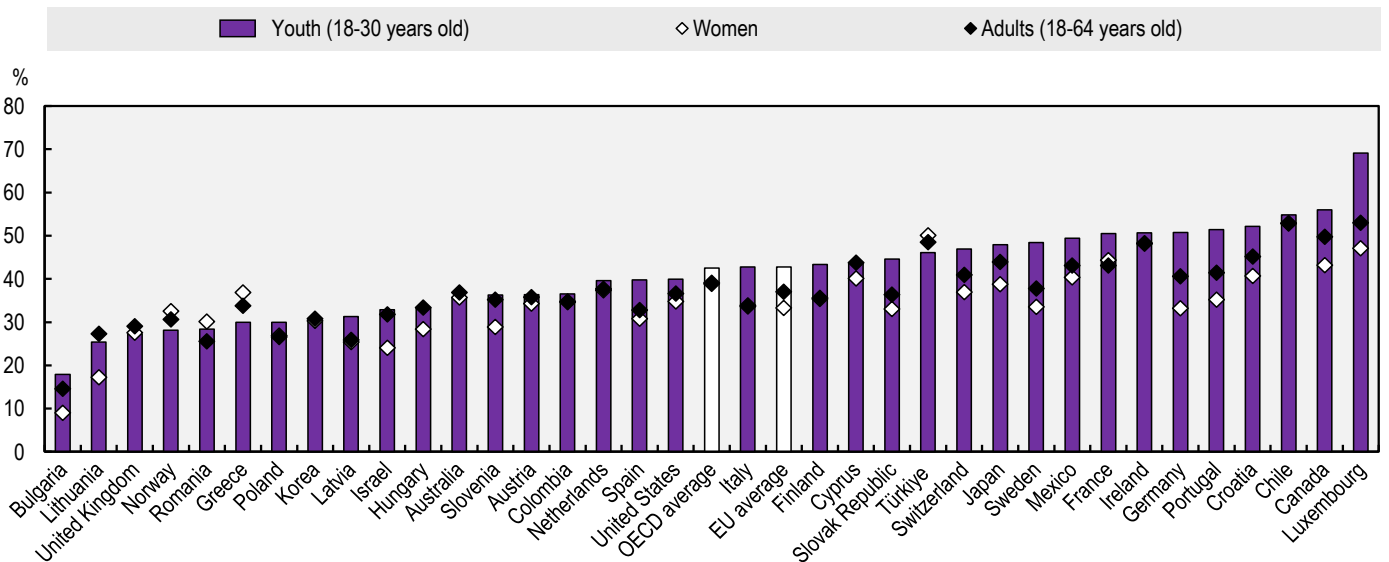
Figure 1. Young people are motivated by innovation and job creation



Note: The graph shows the answer to the question “If you were to set up your own business, which of the following goals would be most important to you?”. It shows the share of youth who responded that they are motivated to put innovative ideas into practice and to create jobs for others. Source: Flash Eurobarometer #513 (2023)

Overall, young entrepreneurs have higher self-reported rates of innovation (i.e. introducing a new product/service) compared to the overall adult population on average in the EU (43% of youth vs. 37% adults) as well as in OECD countries (42% of youth vs. 39% adults) between 2018 and 2022 (Figure 2). However, there is a sizable gender gap in self-reported innovation levels in most countries, and it would be expected that this also appears among the youngest entrepreneurs. In 2019, women only accounted for 20% of global inventors (relative to 11% in OECD countries). Overall, women-led businesses are less likely to carry out technology-based innovations; however, the share of women entrepreneurs in knowledge-intensive professions and innovative sectors has increased (Kay and Günterberg, 2019).

Figure 2. Innovation is a priority for young entrepreneurs



Source: GEM special tabulations (2023)

What challenges do young female entrepreneurs face in innovation and high-growth entrepreneurship?

Risk tolerance and limited entrepreneurship skills

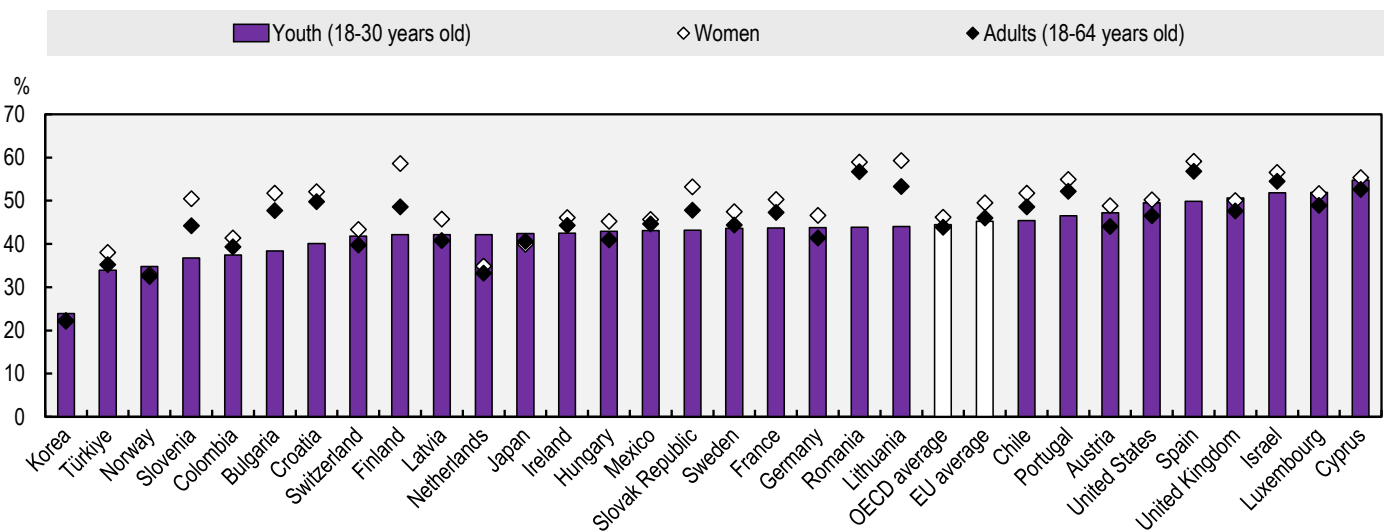
Young people tend to have higher risk tolerance than adults, yet they often lack the entrepreneurship skills, the financial capital, and networks to scale their businesses. Moreover, a fear of failure can also limit the entrepreneurial potential of young

entrepreneurs, particularly young women. For example, only 41% of youth and 43% of women in the EU reported that they had the skills needed to start a business compared to 53% among men (Figure 3). This was slightly higher than in OECD countries, where nearly half of young people and women report having the skills to start a business relative to about 60% of men.

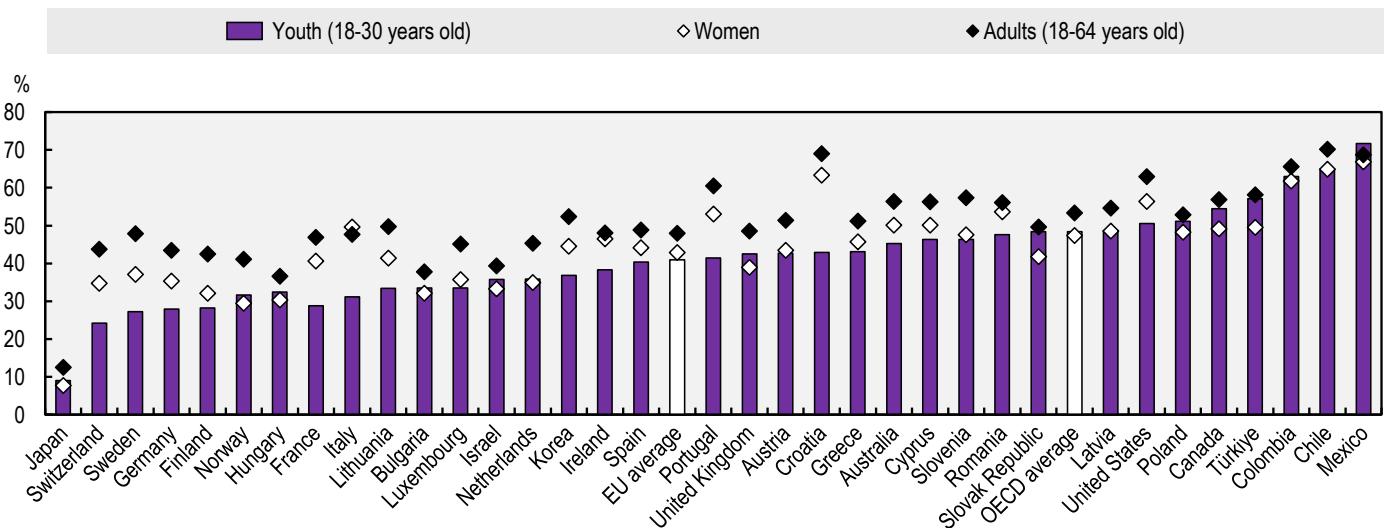
In addition to entrepreneurship skills, women are less likely to pursue degrees in science, technology, engineering, and mathematics (STEM), leading to lower levels of technical skills and fewer women pursuing STEM careers. Only 14% of 15-year-old girls who were top performers in science or mathematics reported that they expect to work as professionals in science or engineering relative to 26% of top-performing boys across OECD countries (OECD, 2019b). While progress has been made in closing the gender gap in higher education in STEM fields, only one STEM field has achieved gender parity in OECD countries – “Natural sciences, mathematics and statistics”, yet women account for less than one-quarter of students in ICT fields of study (OECD, 2022). These gender disparities can lead to women being disadvantaged in pursuing innovative entrepreneurship, lower levels of skills and limited opportunities to build relevant networks in the innovative sectors in the long-term.

Figure 3. Young people and women face more barriers on average than adult men, 2018-22

a. Proportion of population who report "fear of failure" is a barrier to business creation



b. Proportion of population who report that they have the skills to start a business



Source: GEM special tabulations (2023)

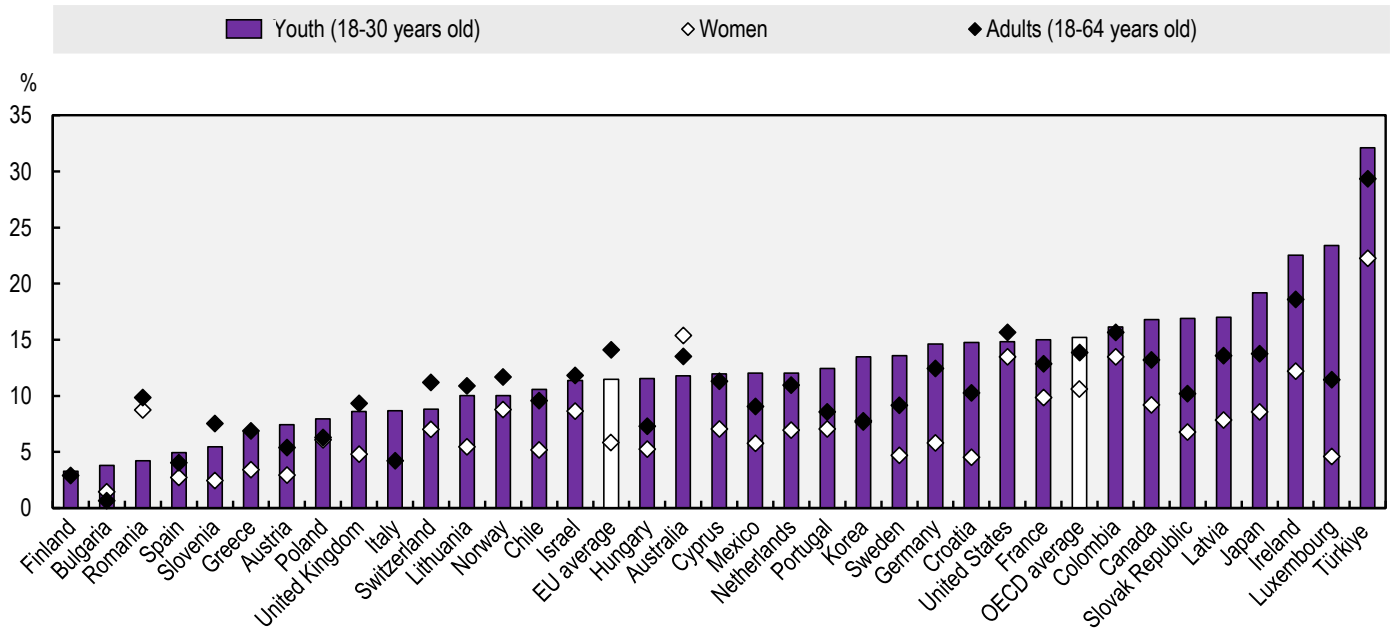
Different growth ambitions of young women entrepreneurs

Young people may overestimate their business management abilities and underestimate the challenges that they will likely encounter leading to inflated confidence in their abilities to innovate and scale their businesses, particularly in terms of the number of jobs created. For example, young entrepreneurs expected higher levels of job creation than adults in 25 EU and/or OECD countries between 2018 and 2022 (Figure 4). Despite high levels of expected growth, there is mixed evidence on the potential for

businesses operated by young entrepreneurs to lead to substantial job creation. Evidence shows that older entrepreneurs are much more likely than young entrepreneurs to operate high-growth firms; for example, a 50-year-old starting a business in the United States is 1.8 times more likely to achieve high-growth than a 30-year-old (Azoulay, P. et al., 2018).

In addition to age, gender also plays a role in expected/real job creation. Overall, women are significantly less likely to have high growth expectations (i.e. they expect to create at least 19 jobs over the next 5 years) compared to their male counterparts, regardless of age. Less than 6% of women, on average, report that they expect to have high growth in the next 5 years in the EU and across OECD countries relative to 12% of men in the EU and 16% of men across the OECD between 2018 and 2022 (Figure 4). These expectations are significantly lower than those reported by young entrepreneurs and the overall adult population. Around 12% of youth, on average, in the EU have high-growth expectations compared to 15% across OECD countries, compared to 12% of adults on average in the EU and across OECD countries in the same time period.

Figure 4. Young entrepreneurs have higher expectations for job creation than women, 2018-2022



Source: GEM special tabulations (2023)

Limited networks

Networks help young entrepreneurs to learn and connect with their peers, validate their business ideas, access resources (e.g. finance, customers, suppliers), and find potential business partners. As young people tend to have lower levels of social and human capital due to the fact that they have had less time to invest in fostering relationships within the business community and building their professional networks, they rely more heavily on family and friends. Due to their limited professional connections, many young entrepreneurs face barriers in creating connections with potential customers, suppliers, and other entrepreneurial ecosystem stakeholders. Moreover, the limited nature of their professional networks can greatly impact a young entrepreneur’s ability to access financing and obtain needed resources needed to innovate and grow their entrepreneurial activities.

Many young people start to build their networks during their university studies, where they have access to professors, mentors, student groups and a broader community of peers. For young people interested in innovative entrepreneurship, universities serve as a hub to foster collaboration, helping young people build their social capital and networks. Students also benefit from the networks of their professors and mentors as they serve as entry points to professional connections and networks. However, women faculty in STEM have lower social capital than their male colleagues, leading to limited access to powerful networks, material resources, opportunities for career advancements, knowledge about funding opportunities and access to mentors (Casad et al., 2021). Moreover, the leaky pipeline of women in STEM also means that women tend to passively leave STEM careers due to the challenges they faced, leaving gaps in networks and fewer potential role models and mentors for the next generation of innovative women. This greatly impacts the ability of young women studying in STEM fields to build their connections, access important networks, find mentors and navigate a male-dominated field. This leads to young women being disadvantaged in building relevant networks in the innovative sectors and fields when they do decide to pursue innovative entrepreneurship projects.

Gender gaps in growth finance

Innovative young entrepreneurs also lack access to finance, including from traditional banking institutions as well as venture capital and angel investors. This can be due to barriers on both the entrepreneur side and the investor side. For example, young people may lack the knowledge and understanding of how to be investment ready. This is particularly important for young women entrepreneurs as numerous studies show that women entrepreneurs, on average, have lower levels of financial literacy than men, which can reduce their ability to identify funding opportunities and often weakens their pitch to investors. On the other hand, investors may be less likely to engage with young entrepreneurs as they are seen as higher risk due their lack of collateral, debts (i.e. student loans), lack of preparedness, and limited professional experience and connections. Moreover, gender bias and cultural norms greatly impact the ability of young women entrepreneurs to access finance and create additional barriers for them to overcome (Box 2). Investors tend to invest in entrepreneurs that have similar backgrounds, which puts women at a disadvantaged as they are under-represented on the supply-side of financial markets. Therefore, the under-representation of women on the supply-side of financial markets needs to be addressed to help more capital flow to women entrepreneurs.

Box 2. Young innovative women in business: A panel discussion

Who are the panellists?

- **Émile Radytè** (Samphire Neuroscience) – Co-founder and CEO of Samphire Neuroscience, which is a company focussed on building wearable neurotechnology medical device solutions for women’s health and lifestyle needs.
- **Areeba Rehman** (FretBay/MyBoxMan) – Founder and CEO of FretBay and MyBoxMan. FretBay is an online transport marketplace, while MyBoxMan is a collaborative delivery service that aims to deliver technological solutions.
- **Maria Sivkova** (Conversion Century) – Owner and Managing Director at Conversion Century, which is an online marketing agency.
- **Yasemin Yusuf** (Jasmine’s Classroom) – Founder of Jasemin’s Classroom, which is an online language school.

What did they say?

Women are under-represented in entrepreneurship, especially among growth-oriented start-ups. Only 15% of high-potential start-ups have at least one female founder and less than 6% are solely founded by a woman entrepreneur. The panel explored how public policy can promote entrepreneurship among young women and support a more inclusive pipeline of women founders and inventors.

The discussion touched on a range of topics around women in entrepreneurship, including their motivations, challenges faced, opportunities seized and they ideas on what more needs to be done to support more women in pursuing entrepreneurship. While the panellists came to entrepreneurship through different avenues and operate businesses in different sectors, many of the challenges faced remained the same. They noted that they had faced difficulties due to gender and age stereotypes, especially when it came to obtaining financing and how they had to search for alternative investors and sources of funding due to these obstacles. For example, Sivkova explained that when she decided to take-over the company that her loan application was denied by the bank due to her being in her early twenties with limited professional experience and her outstanding debt from her student loans, which is a challenge for many young people wishing to create their own business. They also discussed the negative social attitudes towards women entrepreneurs, notably in STEM fields. While the conversation highlighted the various times that the panellists had to overcome gender discrimination from others, they all emphasised the need to persevere and to have alternative plans in place. The panellists discussed how their networks and mentors helped them to overcome many challenges in their entrepreneurial journey and how despite the setbacks, all of them encourage women to pursue their ideas and ambitions to become entrepreneurs.

What are governments doing?

Public policy has and should continue to promote and support young people, notably young women, in pursuing innovative and high-growth potential entrepreneurship. Many EU and OECD countries have implemented policy actions to increase innovation rates and the growth potential of businesses operated by young entrepreneurs (Box 3), including offering entrepreneurship and management training, facilitating the access to finance and strengthening networks (OECD/European Union, 2019).

Box 3. Context and challenges: Supporting women and young people to pursue entrepreneurship, France

Country host: Solène Le Coz-Fortis (Ministry of Economics, Finance and Industrial and Digital Sovereignty) and Claire Nodenot (Ministry for Gender Equality)

In a joint presentation, the Le Coz-Fortis and Nodenot presented the different approaches and supports used to promote entrepreneurship among women and young people in France. They outlined the entrepreneurial context in France, where women represent about one-third of all entrepreneurs (2023) and about 41% of entrepreneurs are under the age of 30 years old (2021). However, women entrepreneurs tend to operate in low value-added sectors (e.g. healthcare, textiles). They also provided a brief overview of the France's approach to entrepreneurship public policies. France aims to promote the entrepreneurial spirit among young people as well as among jobseekers. Public actors provide training, coaching and mentoring, networking opportunities and funding for entrepreneurship projects (e.g. grants, loans, zero-interest loans). While there is no specific policy action plan for young women entrepreneurs, France does have specific programmes in place for students, young people and women. The four primary goals that the French Government wants to address for women's entrepreneurship include a) increasing the proportion of women entrepreneurs to 40%, b) facilitating the access to funding for women-led projects, c) fighting against gender bias and stereotypes and d) promoting professional diversity and the proportion of women-led businesses in high-value added sectors. In line with these goals, the French Government has implemented a range of direct and indirect policy support measures to promote and bolster women's entrepreneurship. For example, the French Government supports non-governmental organisations which are actively providing support to women entrepreneurs through grants and subsidies with the aim to further develop women-dedicated programmes and services (e.g. 100 000 entrepreneurs, Les Premières and France Active).

Le Coz-Fortis and Nodenot also presented several action plans in France, including the partnership with Bpifrance (public investment bank) and the Ministry for Gender Equality for the period 2021-2023. This plan aims to provide more support to women who wish to start a business or take-over a business, increase funding opportunities to women entrepreneurs and to decrease gender bias and stereotypes in the entrepreneurial ecosystem. Moreover, the Ministry of Economics, Finance and Industrial and Digital Sovereignty and the Ministry for Gender Equality also collaborate for the All Equals Plan (*Toutes et Tous Égaux*), which is an action plan dedicated to improving women's rights and their economic situation across all sectors. This includes a range of dedicated measures, including an annual barometer of women's entrepreneurship, communication campaign on tax dedicated for business network membership fees, mentoring for women entrepreneurs, support for women who take-over businesses, banking and financial coaching and self-assessment of entrepreneurial skills.

They also highlighted the work targeted towards students to improve entrepreneurial ambition and intention among the next generation of youth entrepreneurs. This includes the Girls/Boys Equality Partnerships Agreement and the EducFi passport (a financial education and business creation programme that 8th graders – 13- to 14-year-olds – are required to complete). At the university level, France created a system of student hubs for innovation, business transfer and entrepreneurship – PEPITE (*Pôles Étudiants pour l'Innovation, le Transfert et l'Entrepreneuriat*). The innovation network includes 33 PEPITE centres across France, which aim to strengthen the entrepreneurial culture and innovation in higher education. Students can benefit from a special student-entrepreneur status that enables them to develop an entrepreneurial project as part of their higher education experience and receive support (e.g. mentoring by entrepreneur/professional, mentoring by teacher, networking opportunities, co-working spaces, course credit, internship substitution, legal support and financial support). Since the creation of the PEPITE network and the student-entrepreneur status in 2014, there have been more than 27 000 students who have developed an entrepreneurial project. Between 2020 and 2022, there was a [34% increase](#) in the share of women student entrepreneurs.

Shifting social attitudes

Governments have long been working to close this gender gap, notably by reducing gender biases in the entrepreneurship framework conditions and by offering tailored support measures to encourage a more inclusive pipeline and increase the overall pool of (young) women entrepreneurs. This includes promoting more positive social attitudes around entrepreneurship in general and women pursuing business creation. Some governments have created dedicated outreach campaigns to promote role models and success stories in order to help inspire more women to pursue similar career paths and boost self-confidence among women. These measures can also counter negative stereotypes about women's entrepreneurship that hinder start-up and scale-up activities. A longer-term approach taken by some governments has been to promote entrepreneurship through the educational system and school curricula. It is especially important to educate young women on opportunities in different sectors to address gender gaps in fields of study that are more likely to lead to innovative entrepreneurship (e.g. science, technology, engineering and mathematics).

Getting more young women into growth-oriented support schemes

Another important aspect is to address the entrepreneurship skills gaps for young women entrepreneurs. Many governments support young entrepreneurs in pursuing innovation and high-growth entrepreneurship by providing entrepreneurship training programmes, coaching and mentoring initiatives, and incubation and acceleration services (Box 4). Evidence suggests that young entrepreneurs stand to benefit more than adult entrepreneurs from business incubation programmes as they often lack experience and have small networks (Albort-Morant and Oghazi, 2016).

Box 4. Incubation and acceleration services

Incubation

Business incubation programmes typically combine training programmes with other integrated support services, such as networking opportunities, consultancy, mentoring, coaching, workspace, and introductions to investors. Support is often provided over the course of several years and may include pre-incubation as well as post-incubation support once young entrepreneurs have completed the programme. Incubation programmes can also provide some post-incubation support.

Acceleration

Acceleration programmes differ from incubation in a number of ways. Accelerators are shorter-term supports that usually last between 3 to 12 months. They focus on speeding up the business creation process and managing accelerated growth. Moreover, many accelerator programmes take ownership stakes in the companies that use their services, whereas this is not the case with business incubation services.

See "Improving the effectiveness of inclusive and social entrepreneurship training schemes" (OECD/European Commission, 2023) for more information.

Governments can directly support the implementation of these types of services by providing the initial funds to establish incubator facilities (i.e. designing and launching dedicated incubation or acceleration programmes for young entrepreneurs), subsidies ongoing incubation/acceleration services as well as improving access to mainstream incubator and accelerator programmes for young entrepreneurs (e.g. quotas, dedicated outreach campaigns, adaptations to the format to better address the needs of young people). While some dedicated accelerator programmes are in place to support women entrepreneurs, they remain uncommon.

Box 5. Context matters for women's entrepreneurship – Insights from Grenoble Ecole de Management and Les Premières

Case Study: Séverine Le Loarne-Lemaire, France

Le Loarne-Lemaire is a professor at the Grenoble School of Management, where she specialises in women's entrepreneurship. In addition to her teaching responsibilities, she also works for various organisations (e.g. BNP-Paribas, Réseau Entreprendre, Fédération Pionnières) to research the impact of entrepreneurship support programme on women entrepreneurs. She created FERE (*Femmes & Renouveau Economique – Women and Economic Renewal*), which is a research consortium of 28 researchers that aims to understand women's place in current economic changes. As part of her work in this area, the women-dedicated incubator "GEM Les Premières" was launched in partnership with Les Premières AURA with the mission to provide better support women entrepreneurs in rural areas.

She presented her research on the impacts of women dedicated entrepreneurship support, particularly her findings on the GEM Les Premières. The scheme includes three programmes : START, GO and BOOST. The programmes include online entrepreneurship courses, mentoring, individual coaching and networking opportunities. She presented the research findings from three different groups of women: a) women from economically deprived environments, b) women from urban economic areas, and c) women operating in tech clusters. The outcomes of the women entrepreneurs across the different zones are highly different, suggesting that context for the entrepreneurship activity and the type of support received is important. For example, the women from economically deprived zones tend to live outside these areas but maintain their businesses in the community. While their businesses do organically grow, they remain outside the entrepreneurial cluster. The women who are from urban areas tend to operate businesses outside of the technology sectors with limited growth potential (e.g. service industry and textile industry). While the last group is highly educated and operating in tech sectors, many of the women experience low growth after three years yet continue to maintain connections and receive support from women's entrepreneurship networks.

Addressing gender gaps in access to finance, notably growth finance

Governments are also addressing barriers in access to finance, notably growth finance, through providing direct (e.g. grants, loans, guarantee schemes, venture capital and equity investment) and indirect supports (e.g. financial literacy training, investor readiness courses, funding to other financial support providers, etc.). Over the last two decades, governments have prioritised improving financial literacy and have integrated financial literacy programmes into existing entrepreneurship training schemes. There have also been efforts to introduce financial literacy into school curriculum to support long-term development of financial skills for the next generation of young entrepreneurs. These programmes often cover subjects such as sources of start-up funding, how to open and manage a bank account, basic accounting methods (e.g. budgets, revenue forecasts, invoicing, inventory management, etc.), cost and project management, identification and management of financial risk, taxation, etc. (OECD/European Commission, 2022). Another approach is to offer free financial literacy resources through online platforms, making information readily accessible. These platforms often include instructional videos, articles and templates for financial materials.

Governments also offer investor readiness schemes to help prepare (young) growth-oriented women entrepreneurs for investment opportunities. These programmes aim to increase knowledge and skills needed to identify and succeed in obtaining venture capital and equity investments. These are often integrated into existing support programmes, such as incubation and acceleration services. They often include modules on preparing pitches, market analyses, business models and financial forecasts as well as provide opportunities for young entrepreneurs to interact with investors.

Moreover, governments also provide targeted financial support to (young) women entrepreneurs through grants, repayable start-up loans, allowances (i.e. regular payments to cover living costs during start-up phase), credit guarantees for private sector loans and microfinance schemes. Governments have been increasingly offering more growth finance through government-backed venture capital funds, matching funding schemes and equity funding schemes that specifically target different profiles of entrepreneurs (e.g. young innovative entrepreneurs, women entrepreneurs, etc.). A long-term approach to encourage more access to finance among young women entrepreneurs is to create a pipeline of women investors. Governments can facilitate the creation of business angel investor networks for women or subsidise start-up and operational costs of networks.

Facilitate networks for young innovative women entrepreneurs

Professional networks are essential in the success of young entrepreneurs and the development of their businesses, notably those engaged in innovative and high-growth potential entrepreneurship. Governments have three primary approaches to facilitate the creation of entrepreneurial networks for young entrepreneurs: create dedicated networks designed to build connections among young entrepreneurs and the broader business community, build networks in parallel to other entrepreneurship support programmes (e.g. training, mentoring and coaching, incubation, innovation hubs, entrepreneurship centres, etc.), and broaden existing network initiatives to create a more diverse and inclusive network for young people (Halabisky, 2015).

Box 6. Business on high heels – the power of women’s entrepreneurship networks

Case Study: Emona Karagyozova, Bulgaria

Karagyozova presented the Young Ladies in Business Club (Bulgaria) and its main activities, highlighting the positive impact the network has had on the women entrepreneurs professionally and personally. The network was created in 2012 with the aim to bring together innovative and inspired young women who wanted to pursue entrepreneurship and business creation but did not know where to start. The network aims to provide a support environment, role models and mentors to support young women in starting their businesses and helping them to navigate the opportunities and obstacles of entrepreneurship. She briefly provided an overview of the main activities of the network and the entrepreneurship support they provide, including financial literacy programmes, digital marketing, personal and soft skill development, presenting/pitching as well as helping to identify available funding (e.g. grants, funds, investors, etc.). Karagyozova highlighted the many positive benefits that the women in the network have had, including the testimonies from network members Maria Sivkova and Yasemin Yusuf.

Moreover, governments can support innovation activities, encourage investment and develop new markets through the creation and promotion of innovation networks. These networks facilitate access to specialised knowledge, knowledge-based capital and technological resources as well as promote collaboration and create opportunities for connection with innovation support organisations (e.g. incubation programmes, acceleration programmes, digital innovation hubs). A common approach used by governments to create innovation networks is public-private partnerships, which allows governments to define and adapt their role in the network (e.g. initiator, facilitator, funder, etc.). These partnerships entail collaboration with public/private universities, research centres, government agencies and industry actors (i.e. entrepreneurs, large firms, SMEs, private financial institutions, etc.) in the short-term and long-term. Short-term collaborations tend to last between 2-4 years that often include project-based initiatives, while long-term approaches tend to be more intensive and include the development of more permanent structures (i.e.

joint organisations, centres for innovation/excellence). A more recent trend is the utilisation of public service innovation networks for social innovation that aim to encourage social innovations by public and private actors. Overall, governments need to do more to make these types of networks more accessible to and inclusive for (young) women entrepreneurs.

Questions for discussion

- How can policy inspire and maintain a stronger inclusive pipeline of women entrepreneurs and investors?
- How can policy better provide innovation assistance and support network development among young women entrepreneurs?
- How can policy support and enhance youth-dedicated incubation and acceleration services? How can these spaces be made more gender-inclusive?
- How can public policy boost financial literacy and investor readiness among young women entrepreneurs?
- How can governments improve access to finance for young women entrepreneurs, notably growth finance?

Takeaway messages

- Policy makers could do more address the gaps in the level of awareness, culture and unconscious bias related to women in entrepreneurship, especially those pursuing innovative businesses and high-growth start-ups.
- Entrepreneurship competitions and hackathons hold potential for young people interested in innovative and starting their own business. Policy makers could consider fostering more innovative and entrepreneurial spirit by hosting more events such as these as well as creating dedicated outreach campaigns to inform young people are these opportunities.
- Incubator and accelerator programmes can be more effective for young entrepreneurs if tailored to address their specific needs, placing emphasis on entrepreneurship and business management skills acquisition and network development. Policy makers could improve access to specialised programmes for women entrepreneurs either by offering dedicated programmes or improving access to mainstream programmes.
- Policy makers could look to expand innovation support schemes to foster innovative ideas and support young people in implementing their ideas into business activities. This could include supporting the development of innovation hubs and networks that are accessible to young people. It is important to ensure that these spaces are not only accessible to young people but also inclusive to young women.
- Policy makers could expand financial measures, notably repayable instruments, to help young entrepreneurs access the capital needed for innovative entrepreneurship activities, which often require capital for R&D and other significant upfront expenses. Moreover, many young people face additional challenges in accessing traditional financing due to potential debt, such as student loans.
- Policy makers could scale-up activities and initiatives in certain areas, including increasing awareness of success stories and existing programmes as well as directly supporting women investors and investor networks. It is important to have consistent and collective effort to inspire a more inclusive pipeline of women founders and investors.

Further reading

Albort-Morant, G. and P. Oghazi (2016), "How useful are incubators for new entrepreneurs?", *Journal of Business Research*, Vol. 69, pp. 2125-2129.

Azoulay, P. et al. (2018), "Age and High-Growth Entrepreneurship", NBER Working Paper, No. No. 24489, NBER, <https://www.kellogg.northwestern.edu/faculty/jonesben/htm/Age%20and%20High%20Growth%20Entrepreneurship.pdf>.

Casad, B. J., Franks, J. E., Garasky, C. E., Kittleman, M. M., Roesler, A. C., Hall, D. Y., & Petzel, Z. W. (2021), Gender inequality in academia: Problems and solutions for women faculty in STEM, *Journal of Neuroscience Research* (Vol. 99, Issue 1), <https://doi.org/10.1002/jnr.24631>.

Criscuolo, C., P. Gal and C. Menon (2017), "Do Micro Start-Ups Fuel Job Creation? CrossCountry Evidence from the DynEmp Express Database", *Small Business Economics*, Vol. 48/2, pp. 393–412, <http://dx.doi.org/10.1007/s11187-016-9778-x>.

Deschryvere, M. (2008), "High growth firms and job creation in Finland", *Keskusteluaiheita – Discussion papers*, No. 1144, Research Institute of the Finnish Economy, <https://www.etla.fi/wp-content/uploads/2012/09/dp1144.pdf>.

European Commission (2014), Commission Implementing Regulation (EU) No 439/2014, Official Journal of the European Union, <https://eur-lex.europa.eu/legalcontent/EN/ALL/?uri=CELEX%3A32014R0439>.

Eurostat and OECD (2007), Eurostat-OECD Manual on Business Demography Statistics, OECD Publishing, Paris, <https://www.oecd.org/sdd/business-stats/eurostatocdmanualonbusinessdemographystatistics.htm>.

Halabisky, D. (2012), "Entrepreneurial Activities in Europe - Youth Entrepreneurship", *OECD Employment Policy Papers*, No. 1, OECD Publishing, Paris, <https://doi.org/10.1787/5jxrcmlf2f27-en>.

Halabisky, D. (2015), "Entrepreneurial Activities in Europe - Expanding Networks for Inclusive Entrepreneurship", *OECD Employment Policy Papers*, No. 7, OECD Publishing, Paris, <https://doi.org/10.1787/5jrtpbz29mjh-en>.

IEA (2022[3]), Gender and Energy Data Explorer, <https://www.iea.org/data-and-statistics/data-tools/gender-and-energy-data-explorer>.

Kay, R. and B. Günterberg (2019), "Existenzgründungen von Frauen – Aktuelle Entwicklungen", *Daten und Fakten*, No. 24, Bonn: IfM Bonn

Lassébie, J. et al. (2019), "Levelling the playing field: Dissecting the gender gap in the funding of start-ups", *OECD Science Technology and Industry Policy Paper*, No. 73, OECD Publishing, Paris, <https://doi.org/10.1787/23074957>.

NESTA (2009), *The Vital 6 Per Cent*, National Endowment for Science, Technology and the Arts, <https://media.nesta.org.uk/documents/vital-six-per-cent.pdf>.

OECD (2019b), *PISA 2018 Results (Volume II): Where All Students Can Succeed*, OECD Publishing, Paris, <https://doi.org/10.1787/b5fd1b8f-en>.

OECD (2019a), *Strengthening SMEs and Entrepreneurship for Productivity and Inclusive Growth: OECD 2018 Ministerial Conference on SMEs*, *OECD Studies on SMEs and Entrepreneurship*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/c19b6f97-en>.

OECD (2022), *Education at a Glance*, <https://doi.org/10.1787/3197152b-en>.

OECD (2023a), *Joining Forces for Gender Equality: What is Holding us Back?*, OECD Publishing, Paris, <https://doi.org/10.1787/67d48024-en>.

OECD (2023b), *OECD SME and Entrepreneurship Outlook 2023*, OECD Publishing, Paris, <https://doi.org/10.1787/342b8564-en>.

OECD/European Union (2019), *The Missing Entrepreneurs 2019: Policies for Inclusive Entrepreneurship*, OECD Publishing, Paris, <https://doi.org/10.1787/3ed84801-en>.

OECD/European Commission (2020), "Policy brief on recent developments in youth entrepreneurship", *OECD SME and Entrepreneurship Papers*, No. 19, OECD Publishing, Paris, <https://doi.org/10.1787/5f5c9b4e-en>.

OECD/European Commission (2021), *The Missing Entrepreneurs 2021: Policies for Inclusive Entrepreneurship and Self-Employment*, OECD Publishing, Paris, <https://doi.org/10.1787/71b7a9bb-en>.

OECD/European Commission (2023), "Improving the effectiveness of inclusive and social entrepreneurship training schemes", *OECD Local Economic and Employment Development (LEED) Papers*, No. 2023/05, OECD Publishing, Paris, <https://doi.org/10.1787/8386c4de-en>.

OECD/Eurostat (2018), *Oslo Manual 2018: Guidelines for Collecting, Reporting and Using Data on Innovation, 4th Edition*, The Measurement of Scientific, Technological and Innovation Activities, OECD Publishing, Paris/Eurostat, Luxembourg, <https://doi.org/10.1787/9789264304604-en>.

OECD/European Union (2019), *The Missing Entrepreneurs 2019: Policies for Inclusive Entrepreneurship*, OECD Publishing, Paris, <https://doi.org/10.1787/3ed84801-en>.

OECD/European Commission (2019), "Policy brief on incubators and accelerators that support inclusive entrepreneurship", *OECD SME and Entrepreneurship Papers*, No. 13, OECD Publishing, Paris, <https://doi.org/10.1787/d7d81c23-en>.

Rivard, P. (2020), *High-growth Firm Characteristics in Canada*, Innovation, Science and Economic Development Canada, [https://www.ic.gc.ca/eic/site/061.nsf/vwapi/High-Growth-Firms-Characteristics-Canada.pdf/\\$file/High-Growth-Firms-Characteristics-Canada.pdf](https://www.ic.gc.ca/eic/site/061.nsf/vwapi/High-Growth-Firms-Characteristics-Canada.pdf/$file/High-Growth-Firms-Characteristics-Canada.pdf).