

SUBMISSION FROM SCOTTISH ENTERPRISE

Introduction

Scottish Enterprise welcomes the opportunity to contribute to this important and timely inquiry and we believe that diversity benefits every individual and business in the country. We have, in our response, focused on those questions where we are best placed to contribute.

Scottish Enterprise (SE) is Scotland's main economic development agency for lowland Scotland, although some of our services, for example the Scottish Manufacturing Advisory Service (SMAS), are available Scotland-wide. SE has embedded equality across our work, with an explicit objective of:

Helping to realise Scotland's full economic potential by mainstreaming equal opportunities within the Organisation's policies and practices as an employer and service provider.

As such, we ensure that our products and services will be provided to individuals regardless of their:

- age
- disability
- gender reassignment
- pregnancy and maternity
- race
- religion or belief
- sex and
- sexual orientation

Our approach would see the economy growing to its maximum potential and through growth providing even greater opportunities for all under represented groups in Scotland. This is particularly crucial in the current economic conditions where women are being disproportionately disadvantaged in employment.

There are significant benefits to be realised from this approach, at both the macro economic and individual company level, and we would like to see business and industry embracing the agenda.

Workforce issues

We recognise that some flexible work practices encourage women to play a greater role in the economy, particularly to accommodate caring responsibilities. Flexi-working and part time working in particular have proven advantageous to women, where the needs of the business can accommodate this.

Our focus is to work towards making businesses aware of the benefits that offering these terms can bring and in particular an equal opportunities approach can realise the following opportunities:

- Increased financial performance and productivity
- Access to a wider recruitment pool
- Higher staff retention and motivation
- Increased employer image
- Improved creativity and innovation
- Better service delivery and customer approval
- Improved marketing and brand awareness
- Increased access to public procurement

Any approaches to the business community, particularly SMEs with more limited resources, will do so in a way that considers diversity in its widest form, both for the sake of simplicity and to encourage greater uptake of the agenda. This also facilitates a better understanding of the barriers faced by people experiencing multiple disadvantages, such as disabled people and young women.

Occupational segregation

Occupational segregation can act as a drag on the Scottish economy, preventing it from maximising growth. We see this at two levels, horizontal segregation between industries and vertical segregation within sectors and companies.

Horizontal segregation

In 2010 SE and Highlands & Islands Enterprise (HIE) commissioned research into equality issues and our key sectors¹. This identified a number of trends, where data was available, and the first graph on page 3 highlights the dominance of men in the energy and food & drink sectors.

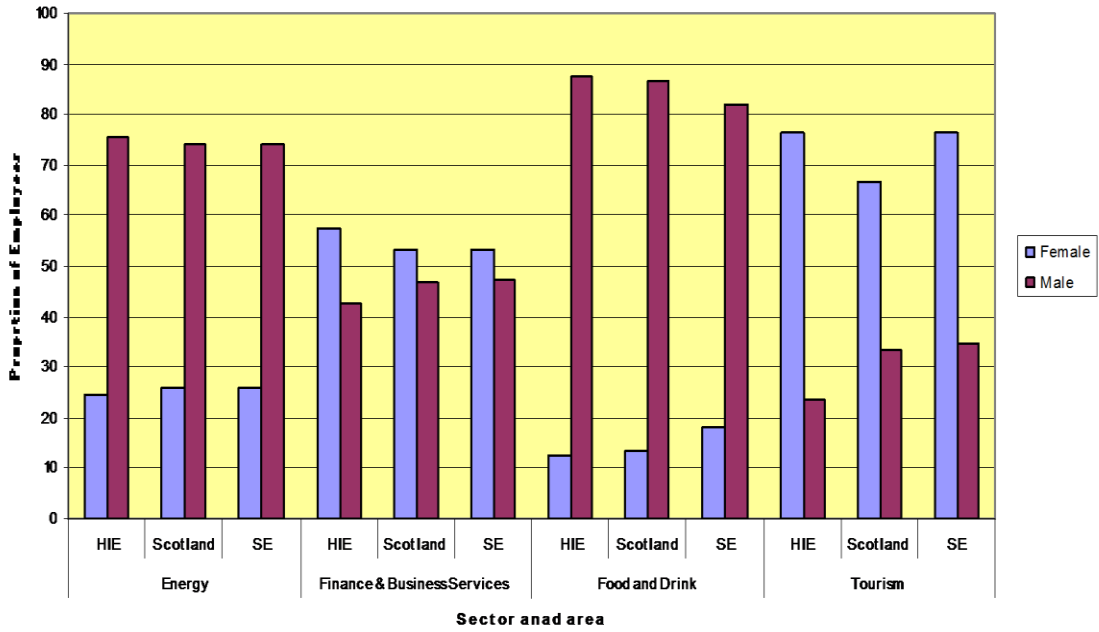
In response, we have issued guidance to our sector teams to include these issues in their development plans, again focused on business benefits and growth opportunities for the economy as a whole. We are also working in partnership with the Scottish Resource Centre for Women in to Science, Engineering and Technology (SET) and the Close the Gap (CTG) initiative, which addresses gender pay gap, to facilitate this.

We are mindful of our public sector equality duty to foster good relations between different groups and to help fulfil this we will, in future, also highlight the need to attract more men to industries where under-representation exists such as in tourism.

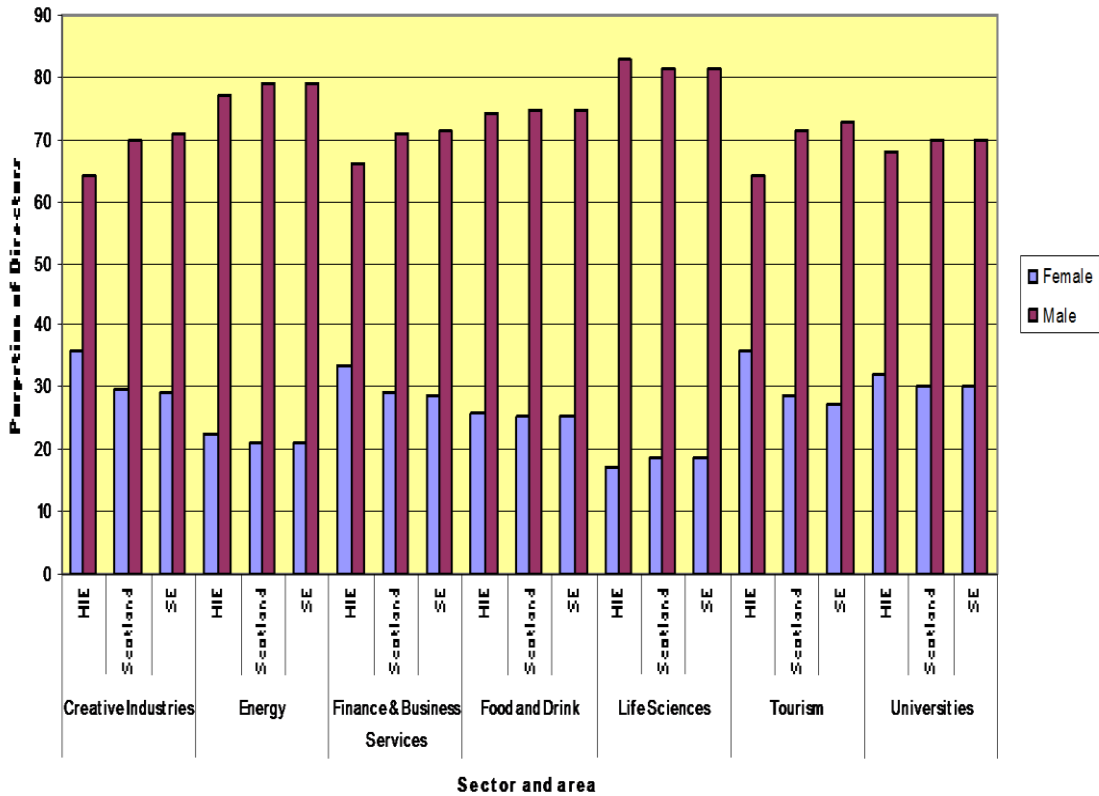
We see a particular opportunity in the renewables industry and are working with colleagues and partners to take advantage of this. For example, we recently promoted our activities at a Parliamentary reception held by Women in Renewable Energy Scotland (Wires) to attract more women to the industry.

¹ <http://www.evaluationsonline.org.uk/evaluations/Search.do?ui=basic&action=show&id=389>

Employees by sector and gender



Directors by sector and gender



Vertical segregation

The second graph on page 3 shows the under-representation of women at Director level across all sectors. We have a particular focus on encouraging more women into leadership positions and have established this as one of the main equality outcomes for the organisation. Achievement of this will again be through promotion of the business case and working in partnership with SET & CTG.

We would also like to see more women on the Boards of large companies, although we do not consider quotas or legislation would be useful in achieving this. In our experience such targets can be counter-productive to good equality work and, by implicitly preferring one gender over another, goes against our duty to foster good relations between different groups. Promoting the benefits of having more women on Boards (such as greater innovation, less risk taking and better service provision) will help facilitate this and continue the trend of more women being represented at this level.

Women in business

The majority of the work carried out in supporting people to start and grow their own business is carried out by the Business Gateway, managed by Local Authorities. SE is primarily focused on supporting existing high growth companies which have the greatest impact on the Scottish economy.

We recognise that women owned businesses can have a great impact on the business base but there remains a lack of solid evidence in this area, particularly on how many high growth companies are led by women. This is compounded by the difficulty in defining ownership particularly for larger companies.

We have therefore established improving the evidence base as a primary action from the equality impact assessment we carried out on our Account Managed function. We have also highlighted this as a focus for our work in response to the Scottish Specific Equality Duties.

We do however carry out equality monitoring on businesses accessing our services for the first time, and are encouraged that the proportion of women-owned businesses has increased from 26% in 2010 to 35% in 2012.

We are currently reviewing our approach to entrepreneurship, in collaboration with partners. The needs and challenges of women will be reflected in this work. In particular, we will consider the barriers that women face in starting and growing their own business, from our previous extensive experience in this area, including access to finance, networking and mentoring, and lack of confidence.

We therefore welcome and are supporting the Women & Enterprise Commission initiative set up by the Scottish Government following the Women & Employment summit held in September 2012.

Cross-cutting issues

We have, above, highlighted the lack of evidence which limits the focus of our work in this area. We look forward to working with partners to, where possible, fill these information gaps.

We also appreciate that women should partake fully in all our services and have carried out equality impact assessments on important functions which support greater participation such as our Leadership Framework and the Scottish Investment Bank. We will continue to consider women's needs in our future impact assessment work.

Gender pay gap is also still prevalent in Scotland and we welcome the focus on this for the public sector under the Scottish Specific Equality Duties. We will also continue to work with Close the Gap to encourage a focus on this in the private sector.

Gender stereotypes still exist in some areas of employment and we would encourage those with a specific remit in this area to take action to challenge these. Public sector partners & NGOs have a particular role to play and we would hope that they further develop case studies of successful women in employment to demonstrate the benefits that this can bring at both the individual and company level.

Finally, we do not support further legislation in this area. The business community in the current economic climate should be encouraged to adopt diversity because of the advantages that it can bring as outlined above. Further legislation would be an unnecessary burden, in particular for smaller companies who have ever-limited resources to address legislative requirements in the current climate.

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