

Steve Dunlop
Chief Executive
Atrium Court
50 Waterloo Street
Glasgow G2 6HQ
Telephone 0141 468 5575
Email steve.dunlop1@scotent.co.uk
www.scottish-enterprise.com
www.sdi.co.uk



Gordon Lindhurst MSP
Convener
Economy, Energy & Fair Work Committee
Scottish Parliament
Edinburgh
EH99 1SP

24 September 2018

Dear Gordon,

Gender Pay Gap Report- Follow- Up

Following your letter of 17 September 2018, requesting a written update on a number of issues raised in Committee's report on Gender Pay Gap, please see our response below.

Promoting the Business Pledge

Scottish Enterprise (SE) continues to promote the benefits of adopting the Business Pledge to our account managed companies and we provide support to enable companies to introduce the elements of the Pledge to their workplace. Regular discussions take place with companies as part of their growth development action plan and we continue to promote and share case-studies to demonstrate the value of the Pledge. Our latest data shows that of the current number of Scottish Business Pledge (SBP) signatories, (537) 185 of these are SE account managed. Beyond our direct work with companies, from November as we update our on-line application process we will be signposting all applicants to the SBP web-site to help raise awareness.

Scottish Government is currently undertaking a review of the Scottish Business Pledge: <https://scottishbusinesspledge.scot/information/scottish-business-pledge-review-2018-terms-of-reference/>

Data Collection of Account Managed Business Run by Women

SE now tracks and measures the number of female-led account managed companies. The current figure is 150, which makes up 9.5% of the active account managed portfolio, this is a steady increase from 7.5% in 2016. The Committee should be aware that now we are collecting this data, we are using it to help us engage with key organisations on ways in which we can use the detail behind it (size, sector, location) to help us to encourage more female led businesses to seek support.



1



Mentoring Support Developments

Business Mentoring Support provides one-to-one guidance and support across a range of topics including: developing a business strategy, leadership, innovation and exporting. There are over 1,000 mentors delivering this service providing effective and confidential business advice. Over the period August 2017 to July 2018, the service supported 904 growth companies across the SE area, almost double the 2014/15 figure. The businesses supported included 57% male-led businesses and 43% female-led businesses, this is an increase from 39% female-led business in 2015/16.

Funding Streams for Female Entrepreneurs

As the Committee will be aware there are a number of factors influencing the take up of business growth funding amongst female owned companies, some of these are noted in the Women in Enterprise Framework e.g. the size of the business, the sector and the levels of funding (or debt) that women are prepared to seek and take on. More can be done in both the public and private sector in terms of awareness, language and size of loan to help address the gap and finance available and support business growth. The Scottish Investment Bank continues to track research on this important area to help inform the future development and promotion of funds. In recognition of the need to develop female entrepreneur focused services to help build ambition and to support with advice on routes to scale (including access finance) we have developed new services:

- ***Principally Women***

Provides a new approach to achieving scale by addressing specific gender barriers faced by women in business. Support includes leadership skills, raising investment, generating sales, and managing teams – delivered through a blend of training, coaching and mentoring. A cohort of nine women participated in the programme and benefitted from the opportunity to discuss issues blocking growth to their business. We have received feedback from female participants on the positive impact and results the programme has had on their business.

- ***Special Edition***

Targets the under-representation of women in the digital media sector in Scotland. The project works with female industry delegates and has delivered immediate impacts, which include three significant promotions, two new start up businesses and two funding awards.

These examples illustrate our commitment to this area and as these pilot services are evaluated and developed more fully we will learn, improve and look to build upon them and at the same time seek new ways help with access to finance routes.

We are equally keen to encourage women in leadership and we support SE staff members to participate in a Women's Leadership Development Programme delivered by University of Edinburgh Business School, and have offered Women in Governance training delivered by Edinburgh Napier University and Women's Enterprise Scotland to a range of female staff members.

Gender Pay Gap

From 2017 new UK legal reporting requirements came into force. The new requirements state that any organisation with 250 or more employees is now obliged to report and publish specific figures on their gender pay gap. This is a positive move to ensure that organisations consider the implications of, and seek ways to address gender pay disparities. The majority of companies we support have less than 250 employees and are not bound by this legislation,

however, we take every opportunity to ensure companies we work with consider the range of fair work practices as part the Business Pledge work.

The Programme for Government 2018-19 includes a commitment to add criteria on fair work practices including the Living Wage, being transparent on gender-equal pay and the exclusion of exploitative zero-hours contracts to business support grants through Regional Selective Assistance (RSA) and other large Scottish Enterprise job-related grants – starting with grants offered in 2019/20. We are currently working with Scottish Government on how this will be taken forward and the steps required for implementation.

I thought the Committee would also be interested to know that as part of our commitment to this important area, all customer facing staff in SE have completed diversity and unconscious-bias training to ensure that all businesses whether male or female led receive a service appropriate to their needs.

This is an on-going and evolving area of focus and policy, and we will keep the Committee informed as it progresses.

Yours sincerely

Steve Dunlop
Chief Executive, Scottish Enterprise