

1.3 How Much Do You Know About Women Entrepreneurs?



5 MIN READ

How well do you think you know Canadian women entrepreneurs? Test your knowledge by completing the following questionnaire.

True or false? Indicate whether the following statements are true or false.

The growth rates of women-owned businesses are usually lower than those of men-owned businesses.

True. Majority women-owned businesses typically have lower growth rates than majority men-owned businesses. According to recent statistics, 21.5% of majority men-owned businesses have high or medium growth rates, compared to 18.7% of majority women-owned businesses.¹ However, statistics show that the annual growth rates for women-owned businesses are gradually increasing.² This certainly bodes well for the future.

Women entrepreneurs often have access to smaller business networks and fewer mentors than their male counterparts.

True. Lack of access to entrepreneurial networks and mentors is a major obstacle for many women entrepreneurs and aspiring women entrepreneurs.³

Majority women-owned businesses are often micro-enterprises with fewer employees.

True. Most majority women-owned businesses have fewer than 20 employees (92.7%), which works out to 19% of all businesses in that category.⁴

A higher proportion of women entrepreneurs have completed post-secondary studies compared to men entrepreneurs.

True. Although most business owners have completed post-secondary studies, women entrepreneurs tend to have a higher education level than their male counterparts overall. Approximately 78.2% of majority women-owned businesses are run by women who took post-secondary studies; for majority men-owned businesses, that figure is 68.4%.⁵

Women are less likely to use personal funds for business financing than men.

False. Women entrepreneurs are as likely as men to use their personal funds for business financing purposes. Research confirms that the proportion of women entrepreneurs relying on self-financing is similar to their male counterparts.⁶

Women usually have less experience as business owners or managers than men.

True. As a general rule, men have more experience as business owners and managers. For wholly owned women businesses, 9.3% of the owners have less than five years of experience; the figure for men-owned businesses in the same category is 5.8%. Furthermore, 73.3% of 100% men-owned businesses are run by owners with more than ten years of experience, while the corresponding figure for women entrepreneurs is 65.2%.⁷

Under similar situations/conditions, women entrepreneurs have the same likelihood of obtaining business financing as men.

True. When women and men entrepreneurs find themselves in similar situations/conditions, women are equally as likely as men to obtain financing.⁸ The challenge is then to ensure that women can stay on the same playing field as men by enabling them to operate in similar conditions. This is difficult to achieve given that women face more barriers than men.

The proportion of women entrepreneurs is higher in rural areas than in urban areas.

False. The proportion of women entrepreneurs is higher in urban areas.⁹ Approximately 16.5% of businesses in urban areas are majority women-owned, compared to 11.8% in rural areas.¹⁰

The proportion of incorporated companies is lower for majority women-owned businesses than it is for all businesses, on average.

True. The proportion of incorporated companies is 77% for majority women-owned businesses, compared to an overall average of 87%.¹¹

Women entrepreneurs are usually older than their male counterparts.

False. Women entrepreneurs are usually younger than men. According to statistics, 20.1% of majority women-owned businesses have owners under 40 years old, compared to 15.1% for men in the same category. Men business owners (13.3%) outnumber women (9.5%) in the over-65 category.¹²

Our toolkit includes data taken from the 2017 Survey on financing and growth of small and medium enterprises. The 2022 Survey is available at the following link: <https://www150.statcan.gc.ca/n1/daily-quotidien/220302/dq220302b-cansim-eng.htm>

However, please note that the data included in this most recent survey is greatly influenced by the recent worldwide pandemic, making it difficult to compare it to the stats included in our toolkit which are based on a pre-pandemic period survey.

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