

Aotearoa Centre for Enterprising Women research snapshots

Unlocking the entrepreneurial potential of women in Aotearoa New Zealand through research and education.

No. 3

Igniting Capabilities of Women Export Entrepreneurs in Aotearoa/New Zealand

Part I: Introduction and Setting the Scene

In 2022 the Aotearoa Centre for Enterprising Women helped Te Taurapa Tūhono | New Zealand Trade and Enterprise (NZTE), the government's international business development agency, to analyse in-depth interviews carried out by the agency with 20 successful entrepreneurial women exporters. Giving voice to their stories forms part of research by NZTE into ways to tap more potential for female-led export enterprises. The result is a very accessible joint report: "Igniting Capabilities of Women Export Entrepreneurs".* Illustrated, thoroughly referenced and rich in quotes, it will spark the interest of entrepreneurs and scholars as well as policymakers.

The first half of the report, summarised here, sets the – male-dominated – scene of Aotearoa New Zealand's (A/NZ) exporting ecosystem. The second half, captured in [Part II](#), analyses the interviews by the themes of motivations and collaborations and recommends more inclusive, equitable and effective policies, building on NZTE's progress so far. Throughout, the report shows how enterprising women exporters can leverage their intangible "female capital" to reframe gender barriers as opportunities. This form of social capital, epitomised by the interviewees, comprises women's skills at accessing and forming social networks of relationships, and a remarkable determination and hard-won confidence in both starting and scaling companies.

The scene today is far from gender equal. NZTE's Women in Export division, the Ministry of Foreign Affairs and Trade, and others find major gaps in starting and leading businesses or entering the export sector. Only 15% of goods exporters, and 16% of NZTE's actively managed customer firms, are female led; 39% have no women in leadership at all. Gaps widen for larger firms.

Why such disparities? Certainly not for lack of productivity, profitability or promise. Despite raising less investment, female entrepreneurs generate more revenue. And firms with at least 30% women in senior leadership return 6% higher net profit margins. Unleashing women entrepreneurs' potential in the roughly doubly productive export side of A/NZ's economy would lift GDP by some \$25 billion and do the country's balance of payments a world of good.

Rather, research across countries consistently uncovers structural gender barriers to finance and to resources yielding business skills and information. Among hard-to-budge culprits are conscious or unconscious bias, general inequality; and women's own under confidence, especially in seeking risk capital. Founders who self-fund, debt-fund or finance ventures informally instead of trying angel investors or venture capitalists forgo a growth fillip. To worsen matters, employment in A/NZ's two biggest sources of goods exports, primary industry and manufactures, skews heavily towards men. NZTE has further identified a "leaky pipeline" from study, where graduates split evenly by gender, to work, to management in businesses based on STEM – science, technology, engineering or maths. This includes IT, a gateway to the \$85 trillion global digital commerce market. Evidence further suggests that disadvantages mount up disproportionately where women also belong to ethnic or other minorities. Last, women worldwide were by some reports 20% likelier to close a business due to Covid, and unequal family duties probably also prevented due compensation.

For what motivated these 20 interviewees, how they each collaborated to cut a path through that inhospitable ecosystem, and how new policies could open paths for more behind them, see [Part II](#).

* The full report "Igniting Capabilities of Women Export Entrepreneurs" by Dr Susan Nemeč, Anna Guenther, Professor Christine Woods and Jess Chilcott, May, 2023 (16 pp) is available [here](#).