



Federal Ministry for
Family Affairs, Senior Citizens,
Women and Youth

Policy for Equal Opportunities: Women in SMEs

Opportunities

Woman

Equal

Foreword

SMEs in Germany are increasingly being shaped by female entrepreneurs, women starting up in business and women in managerial positions. Roughly 1.2 million out of the total of 3.2 million small and medium-sized enterprises are headed by women. As self-employed persons and freelancers, they make a major contribution to the growth, employment and innovation of the German economy.

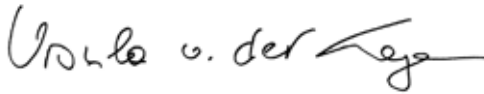


The number of self-employed women has grown more rapidly in recent years than that of self-employed men. This is linked to the ongoing transition from an industrialised to a more knowledge-orientated economy. With their expertise and experience, as well as their entrepreneurial commitment and their creativity, women are making a vital contribution towards the economic and social development of our country.

An international comparison shows however that Germany has some considerable catching up to do with regard to business start-ups by women. An issue which is central to many measures connected with the Federal Government's SME initiative is hence to start to make use of this potential of qualified women in self-employment.

This brochure provides an overview of the Federal Government's measures and projects which aim to strengthen the position of women in SMEs. There is a particular need to improve the framework for start-ups, to foster advisory measures coupled with skill-building, to create networks and alliances that are specific to women, to improve access to capital, to help women when it comes to business transfers, and to strike a better balance between family and work.

The brochure primarily targets multipliers providing start-up advice for women, as well as experts working in banks, the various chambers and other economic institutions. The brochure provides them with measures that are specially aligned to their clientele, which we can apply together to contribute to an atmosphere which is friendly to women starting up in business, and encourage even more women to dare to take the leap into self-employment.

A handwritten signature in black ink, reading "Ursula v. der Leyen". The signature is written in a cursive style with a long horizontal stroke at the end.

URSULA VON DER LEYEN
FEDERAL MINISTER FOR FAMILY AFFAIRS, SENIOR CITIZENS,
WOMEN AND YOUTH

Contents

Introduction	7
I. Data – Figures – Facts	9
II. Enhancing the framework for business start-ups	14
2.1 Establishment of a gender-based start-up monitor	17
III. Promoting advice and skill-building	18
3.1 Promoting a culture of self-employment	18
3.2 Power for women starting up in business	20
3.3 National Agency for Women Start-up Activities and Services....	21
3.4 Start-up service Germany.....	22
3.5 Federal Ministry of Economics and Technology start-up portal	23
3.6 KfW start-up coaching.....	24
3.7 Woman and work portal: www.frauenmachenkarriere.de	24
3.8 www.landportal.de	25
IV. Creating networks.....	27
4.1 The Community’s EQUAL Initiative.....	27
4.2 Activities by and for female entrepreneurs and women starting up in business	28
4.3 Mentoring from female entrepreneurs to female entrepreneurs	29
4.4 Centres for female entrepreneurs and women starting up in business: Alliances for self-employment	29
4.5 The significance of networks in women’s start-ups.....	30
4.6 Enterprise cooperation.....	31

V. Increasing access to capital with small start-ups	32
5.1 Women as entrepreneurs in rural regions.....	34
VI. Nurturing business transfers to women	35
6.1 nexxt – Business Succession Initiative.....	36
6.2 Daughters in business transfers	36
6.3 SME initiative for business transfers and start-ups by women....	37
6.4 The Business Transfer is Female! campaign.....	38
VII. Self-employment of women with a migration background	39
VIII. Balance between family and work	41
IX. The Alliance for the Family	43
9.1 Enterprise programme “The family as a success factor. Getting enterprises on board”	44
9.2 Enterprise monitor on family friendliness	45
9.3 “SMEs and the family” portal.....	46
9.4 Childcare.....	46
9.5 Local alliances for families	47
X. Annex.....	49

Introduction

Small and medium-sized enterprises are the engine for more growth and employment. At European level, more than 80 percent of enterprises are one-person enterprises. Small and medium-sized enterprises account for roughly half the added value and provide two-thirds of the jobs—and the trend is upwards.

SMEs account for roughly 3.2 million small and medium-sized enterprises¹, self-employed persons and freelancers in Germany, including somewhat more than 1.2 million enterprises which are headed by women.² They make a major contribution to growth, employment and innovation in the German economy.

Start-ups are a vital factor for the competitiveness of an economy. They create jobs, play a major role in structural change and promote innovation. The national summaries of the Global Entrepreneurship Monitor (GEM) for 2003 and 2005 indicate that the number of women starting up in business has increased disproportionately in the last two decades at both national and international level, but that women remain under-represented in business start-ups.

With its activities in the context of the SME initiative, as well as in the inter-departmental promotion of a nationwide Agency for Women Start-up Activities and Services (*bundesweite gründerinnenagentur – bga*), the Federal Government has sent out an unambiguous signal for the self-employment and entrepreneurial skills of women, as well as for striking a better balance between family and gainful employment.

1 Cf. Federal Statistical Office, 2006a

2 Cf. Federal Statistical Office, 2004

Roughly 70 percent of female workers in Germany work in small and medium-sized enterprises. Surveys have shown that enterprises still frequently consider family work and parental leave to be chiefly women-related topics, but that a change in the corporate culture towards family-friendly working conditions for mothers and fathers is tangible.

Well-trained women and men with an entrepreneurial commitment form an important potential for start-ups worldwide, especially for small and medium-sized enterprises. Self-employment has also been gaining in significance in Germany for many years, and is an important alternative to dependent employment. The better qualified women are, the more likely they are to consider self-employment as an alternative form of employment.

Many self-employed women have better school qualifications than self-employed men, and more of them have completed vocational training or higher education. They want to use this potential, and self-confidently demand both a fulfilling family life and equal participation in gainful employment. Also young men and fathers wish less and less to be tied down to one area only. For instance, one father in three would like to have more time for himself and his family.

A central concern of many of the Federal Government's activities is to encourage these highly-qualified women to take up self-employment. With its policy, the Federal Government stands for a new culture of self-employment and for more equal opportunities at work by striking a better balance between family and the world of work—for both sexes.

I.

Data – Figures – Facts

Roughly 11 million women work in small and medium-sized enterprises, and there is an increasing number of female entrepreneurs in Germany. Although the labour market participation of women has increased considerably in the past decades, with women comprising not quite half the workforce today, at roughly 45 percent, the share of the self-employed among working women, at roughly 7 percent, is only half as high as with men.³

According to the KfW (Reconstruction Loan Corporation) Start-up Monitor 2004⁴, almost 16 percent of all men could imagine starting an enterprise, whilst the share among women, at 7 percent, is much lower. The share of women among business founders is around 30 percent. This means that roughly one-third of enterprises in Germany are established by a woman⁵.

When it comes to technology-orientated start-ups, the share of women is similar to that in business transfers, i.e. it is only between 10 and 15 percent.⁶

The start-up potential of women is still underestimated in Germany. This is primarily a result of the fact that women select other forms of business start-ups than men—largely small start-ups and individual

3 Federal Statistical Office (ed.) (2004): Table annex to the press brochure. *Leben und Arbeiten in Deutschland. Ergebnisse des Mikrozensus 2003*. Wiesbaden

4 Lehnert, Nicole (2005): "Jährliche Analyse von Struktur und Dynamik des Gründungsgeschehens in Deutschland." (= KfW Start-up Monitor 2004. June 2004). Frankfurt am Main

5 Cf. Federal Statistical Office, 2004

6 Cf. Lehnert, Nicole, 2005

self-employment, as well as start-ups involving extra and/or part-time work. In particular, women's start-ups in service-orientated industries incorporate promising enterprise models in a tertiary society in which demographic change also opens up growth markets providing services to senior citizens and in healthcare. Too little use is as yet being made of these possibilities and opportunities for future self-employment.

As a result of family-related interruptions, women frequently have much less or even no equity capital; they do not have useable vocational experience, including for instance contacts to the market, as well as sectoral and commercial knowledge, and not least inclusion in professional networks.

However, gender-specific stereotypes and social values, not to mention traditional role models and socio-political regulations, also influence women's choice of occupation, their willingness to start-up in business, and their conduct as founders.⁷

The plurality of women's and men's forms of life is also reflected in the different types of start-up. Similarly to part-time work in dependent employment, more recent knowledge shows a particularly dynamic development in the part-time start-up rate. Part-time start-ups now account for 62 percent of all start-ups. Measured against the women's share of 29 percent among all full-time start-ups, the women's share here, at 48 percent, is above average.⁸

Whilst surveys such as those by the KfW SME bank (*Mittelstandsbank*) point to the increasing significance of start-ups in extra⁹ and additional

7 Leicht et al., 2004

8 Federal Ministry of Economics and Technology, 2006

9 Extra work (*Zuerwerb*): Source of income, in addition to others, of persons who do not work as their main occupation, such as those running a household and students, from: Piorkowsky, M.: *Formen selbstständiger Zu- und Nebenerwerbstätigkeit und Übergänge in Haupterwerbsselbstständigkeit*. Brochure of the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth 2001

work¹⁰, this has so far only been partly shown in the official statistics. The Federal Statistical Office has therefore carried out a special gender-specific evaluation of the microcensus on behalf of the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth.

Accordingly, part-time start-ups can be broken down not only by their form, i. e. into extra and additional work, but also by gender. In 2005, it was largely women who founded extra-work start-ups (a total of 99,000 founders, of whom 63,000 were women). On the basis of the traditional role division, such start-ups permit domestic and family work to be combined with self-employment, and such self-employment frequently coincides with a family phase. Self-employment is frequently retained after a several-year family phase because a return to the learned vocation is impossible due to labour market policy changes, or because personal development processes make such a return no longer desirable. All in all, roughly 400,000 women and 231,000 men were in extra-work self-employment in 2005. Additional-work start-ups and self-employment, by contrast, are dominated by men. 348,000 men and 168,000 women were self-employed on an additional-work basis in 2005.¹¹

If one takes both forms of self-employment in part-time work as a whole, it emerges that almost one woman in three (33 percent) is in part-time self-employment today. Forms of extra and additional work of women and men exist both as a stable, lasting form of gainful employment, and also as a precursor to full-time work.¹²

10 Additional work (Nebenerwerb): Source of income in addition to main occupational income, from: Piorkowsky, M.: Formen selbständiger Zu- und Nebenerwerbstätigkeit und Übergänge in Haupterwerbsselbständigkeit. Brochure of the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, 2001.

11 Federal Statistical Office, 2006b

12 Federal Statistical Office, 2006

The rapid growth in part-time start-ups and the foundation of small enterprises, in particular by women, is an expression of the profound change from a more industrial towards a more service- and knowledge-orientated economic structure. The tangible acceleration in the dissolution of traditional working structures will further enhance this development.

Most start-ups in Germany now take place in the service sector, an area in which women are particularly strongly represented and which, in many cases, is typified by considerable competitive pressure, low economic efficiency and growth problems.

The number of self-employed in the liberal professions has undergone considerable growth between 1992 and 2006, rising from 514,000 to 906,000 (+ 43 percent).¹³ Self-employed women are strongly represented in the healthcare services and artistic occupations.¹⁴ A major increase has also been observed in recent years in the proportion of women in knowledge-based services for enterprises. Whilst the share of women among notaries and lawyers in 1988 was 1 and 11 percent, respectively, it had increased by 2004 to 19 and 25 percent, respectively.¹⁵

Given that access to capital and public promotion programmes is, as a rule, orientated to a traditional, full-time business start-up, extra- and additional-work start-ups with public subsidies receive much less consideration than full-time start-ups.

The gender perspective takes on particular significance in this context since women are still not considered, or are only inadequately considered, in the relevant institutions and facilities catering for business start-ups. A consistent alignment to the different gender-specific

13 Federal Ministry of Economics and Technology, 2006

14 Institute for Liberal Professions, 2006

15 Institute for Liberal Professions, 2004

conditions is however a prerequisite for opening up a better perspective for more equal opportunities and equality for women **and** men in their social and cultural roles. It is a matter of facilitating equal participation for women at work.

With the aim in mind of bringing about a **policy for equal opportunities: women in SMEs**, the primary requirement is to

- | enhance the framework for business start-ups by women,
- | improve specific advice and skill-building,
- | make better use of women-specific networks and supra-regional alliances,
- | increase access to capital for small start-ups,
- | nurture business transfers to women, and
- | strike a better balance between family and work.

II.

Enhancing the framework for business start-ups

Going self-employed is a particularly large step for someone who is unemployed. Business start-ups to exit unemployment have nonetheless taken on considerable significance. Roughly one start-up in four takes place out of unemployment. All in all, more than one million unemployed persons, of whom more than 350,000 were women, received financial support from active labour market policy between 2003 and 2006 to set up in self-employment.

Previously there were two benefits, namely the Ich-AG (“Me Inc.” scheme) and the Überbrückungsgeld (bridging allowance), which were offered to unemployed women and men starting up in business. This co-existence of subsidies for the same goal reduced the transparency for those interested in starting up in business, and posed an unnecessary burden on the Employment Agencies.

In the context of the **reorganisation of the promotion of business start-ups to exit unemployment**, both instruments were replaced on 1 August 2006 by a single one, the Gründungszuschuss. (**start-up subsidy**.) Promotion now takes place in two phases: In the first phase following the start-up, a subsidy amounting to the individual unemployment benefit is paid for nine months to ensure the founder’s livelihood. For social security, women and men starting up in business receive an additional flat-rate amount in this period of € 300 per month.

The flat-rate amount can still be paid for a further six months during a second phase of promotion. The subsidy can therefore be paid for a total of up to 15 months.

The goal of the new subsidy is to combine the positive experience from the “Me Inc.” scheme with the high success rate for start-ups that has been achieved over many years with the bridging allowance, and thus to support start-ups out of unemployment in a transition into successful self-employment in a more targeted and more effective manner.

In order to help other types of small start-ups to be successful, uncomplicated and easy-to-handle arrangements are needed for the fiscal treatment of start-ups.

With the **Act to Promote Small Businesses and to Improve Enterprise Financing**–Small Business Promotion Act (*Gesetz zur Förderung von Kleinunternehmern und zur Verbesserung der Unternehmensfinanzierung – Kleinunternehmerfördergesetz*), which entered into force retroactively to 1 January 2003, measures were combined in the field of fiscal law to reduce unnecessary bureaucratic burdens and to improve funding, in particular for small and medium-sized enterprises. For instance, the obligatory book-keeping thresholds were increased to € 350,000 for turnover and to € 30,000 for profit.

The comprehensive **Reform of the Handicrafts Regulation Act (Handwerksordnung)**, which entered into force on 1 January 2004, is to make it easier to found businesses in the crafts and to create a basis for the creation of more jobs in the crafts in Germany. The obligation to take a master’s examination was restricted to those occupations where incorrect practice can lead to dangers to the health or life of third parties. Furthermore, the training contribution made by a craft was taken into the consideration of whether a craft remains subject to authorisation. 53 crafts are now exempt from authorisation. Women

and men who have worked for at least six years in their craft following the final apprenticeship examination, of which at least four years were in a senior position, can also go self-employed without taking an additional examination, even in the crafts which are subject to authorisation (exception: healthcare crafts and chimney-sweeps).

The abolition of the principle that the owner must have a master's qualification (Inhaberprinzip) has enabled natural persons and firms to found or take over craft establishments in a craft that is subject to authorisation, without themselves having to have the crafts qualification, if they appoint a suitably-qualified manager. This for instance makes it easier for assisting wives to continue the establishment of an absent spouse who has the craft qualification.

For the first four years, founders also have a staggered exemption from contributions to the Chamber of Crafts and Trade or to the Chamber of Commerce and Industry.

With the **Reform of the Cooperatives Act** (*Genossenschaftsgesetz*), which was adopted in August 2006, registered cooperatives could be established with three, instead of the previous number of seven, natural and/or legal entities. Cooperatives are particularly common in Germany in the financial services, housing and agricultural sectors. The declared goal of a cooperative is to promote the economic, social or cultural objectives of its members by jointly running a business. The reform opens up new opportunities for cooperatives

- as an organisational form to establish teams from three individuals upwards,
- as a model of business transfers by employees, and
- as a cooperation model for sole entrepreneurs.

2.1 Establishment of a gender-based start-up monitor

With the aim in mind of monitoring the group of topics related to “start-ups” from a gender-specific viewpoint, the Federal Statistical Office has for the first time implemented a structural analysis of microcensus data from 1991 to 2001, on behalf of the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, which documents in detail the changes which have taken place in business start-ups.

The regular start-up monitors in Germany (the start-up monitor of the Centre for European Economic Research (ZEW)/the start-up statistics of the Institute for Research on SMEs (IfM) and the KfW Start-up Monitor) are each based on different survey units (enterprises/trade registrations/founders), which means that important changes go unnoticed by virtue of this concentration on the respective survey units.

The set of tools which have been developed in the context of the special evaluation of the microcensus were used in 2005 to 2007 to produce an annual evaluation and a commentary on the microcensus results for the structure of a **gender-based “start-up” monitor**. The data accordingly ascertained comprise a necessary addition to the existing statistical sources, and are used as a steering instrument for the development of measures and action strategies for the gender-sensitive promotion of start-ups.



Promoting advice and skill-building

The reasons for the lower participation of women in business start-ups are manifold: Women are, as a rule, less included in networks than men. It is especially difficult for women with children to reconcile family and gainful employment in the initial phase of a start-up. What is more, in many cases women do not have the knowledge or economic know-how to start up in business.

There are now many schemes to provide information, advice and skill-building aimed at making it easier for women to go self-employed.

Schemes offered in schools and universities, and in vocational training, aim to create an early awareness that “one’s own business” can be an exiting, worthwhile alternative for women too.

3.1 Promoting a culture of self-employment

Schools are attaching increasing significance to economic training. This is also a matter of arousing young people’s interest in self-employment.

In the project entitled JUNIOR “Initiating – organising – realising young enterprises”, young people establish JUNIOR enterprises at their schools for a limited one-school-year period. They become familiar with economic decisions, opportunities and risks of the market and the conditions for entrepreneurial decisions. Self-employment is

perceived as a vocational prospect. More than 30,000 young people from 2,100 schools nationally have taken part in JUNIOR in the past ten years. The proportion of female participants is around 50 percent.

In order to promote a culture of self-employment at universities as well, entrepreneurship professorships have been established at 52 universities and colleges to date.

Innovation and technology are of central significance for the economy. The programme entitled “Start-ups out of Science (EXIST)” aims to permanently create a more nurturing environment for start-ups at universities and research facilities. The start-up initiatives promoted offer a wide range of assistance for young women and men starting up in business. The schemes range from start-up-related teaching at universities, through special seminars, to advice and support for specific start-up projects.

The seed promotion provided by EXIST contributes to the livelihood of future founders of both genders for a maximum of one year so that they can fully concentrate on working out their business ideas and developing their products and services. A flat-rate amount for childcare costs makes it easier for women and men who are starting up in business and who are responsible for bringing up their children to dare to go self-employed.

The Federal Ministry of Education and Research has created the Internet-based “**Young Business Founders**” competition (www.jugendgruendet.de) in order to inspire a mentality which is amenable to business start-ups in Germany. More than 1,100 teams took part in the school year 2005/2006. The share of participating female school pupils was around 33 percent. 55 teams came from German schools abroad.

A further competition to promote an entrepreneurial spirit among young people was initiated by the Federal Ministry of Labour and Social Affairs in the context of the Community's EQUAL campaign. **IdeeFix** is an enterprise competition which was planned specially for eighth and ninth graders at secondary general schools. The two-day competition is a tool with which the participants are to be familiarised with entrepreneurial thinking and action, and their entrepreneurial spirit is to be awakened. The goal is to make a contribution to improving young people's employability; the pupils' social and communicative skills are to be improved. Core skills such as the ability to work in a team, or independently and in a planned manner, are equally required to carry out the task, along with the ability to work in a structured manner, to solve conflicts and to use presentation techniques. Information is available at www.ideefix-wettbewerb.de/.

The goal of **Girls' Day** is to encourage girls to opt for qualified vocational training or studies in promising, in particular technical, crafts and natural science-orientated vocational areas. Girls' Day 2007 took up the topics of "self-employment" and "business transfers" through the use of a film about women starting up in business "*...auf in eine erfolgreiche Selbstständigkeit*" (The path to successful self-employment).

Since its inception in 2001, nearly 650,000 girls have now taken the opportunity on Girls' Day to get a taste for an occupation which is less typical for girls. Enterprises and organisations have offered more than 33,000 events.

3.2 Power for women starting up in business

In the context of its equal opportunities policy, the Federal Ministry of Education and Research is focussing on the topic of "women starting up in business". This was the context in which the "Power for women

starting up in business” initiative came about. The goal is to motivate and support women to start-up in business.

The first projects within this initiative were initiated in 2006, and more are being prepared.

The focal points of the promoted projects include:

- | technology-orientated start-ups by women,
- | development of measures to increase the share of women in spin-offs from universities and research facilities,
- | support for women with a humanities or social science education in start-ups in the area of knowledge-based services,
- | survey of specific target groups and start-up areas (migrants, start-ups in rural areas, business transfers),
- | development of recommendations for action/support for different target groups, as well as
- | working out approaches to optimise institutional promotion and advice practice for women starting up in business.

3.3 National Agency for Women Start-up Activities and Services

In order to support women in their decision to start-up or take over a business, the Federal Ministry of Education and Research, together with the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, as well as with the Federal Ministry of Economics and Technology, is supporting the work of the National Agency for Women Start-up Activities and Services. The Agency is the first and only national information and service centre for self-employment and business transfers for women. It offers well-founded information and advice in all sectors and in all phases of business start-ups, consolidation and transfers. The goal of the Agency is to help create a climate in Germany which is conducive to women starting up in business and to increase the share of start-ups and business transfers by women, as well as the quality of the start-ups.

As a low-threshold contact point, the Agency's central **Hotline for women starting up in business** (Tel.: 0 18 05/22 90 22) offers qualified initial advice and directions, as well as providing contacts with local experts.

Special advice, networking and coaching for women starting up in business and those already in business is available at **www.gruenderinnenagentur.de** (current contact data of more than 510 advice centres, roughly 570 experts and 280 networks, as well as an overview of roughly 300 items of event information, updated daily). The National Agency for Women Start-up Activities and Services is represented by regional agencies in all 16 Federal *Länder*.

The National Agency for Women Start-up Activities and Services has combined the most important facts on women-specific start-ups in a separate series of publications consisting of fact sheets and documentations. These provide start-up advisors, as well as multipliers, with relevant background information for their work. Women starting up in business are given important tips and framework data on their sectors such as in the specialist gazette entitled 'Start-ups by women in the creative economy growth market'.¹⁶

3.4 Start-up service Germany

The "**Start-up Service Germany**", which was established in July 2003 by the Federal Ministry of Economics and Technology, together with the KfW SME bank, the various chambers, Employment Agencies and business development corporations, aims to improve the long-term

¹⁶ available via: www.gruenderinnenagentur.de

staying power of start-ups and of existing small and medium-sized enterprises by providing improved information and advice schemes to women and men starting up in business. Since 2004 the **SME hotline** (018 05/6150 01) of the Federal Ministry of Economics and Technology has offered initial information as well as more rapid access to advice and services all about start-ups and SMEs to women and men starting up in business. Women and men starting up in business can present and discuss their business plans at start-up conferences with representatives of the institutions in question.

3.5 Federal Ministry of Economics and Technology start-up portal

The **www.existenzgruender.de** start-up portal of the Federal Ministry of Economics and Technology covers a great number of schemes aiming to familiarise women and men starting up in business, as well as young entrepreneurs, with the topics of business start-ups and enterprise operation.

Sectoral and target group-orientated information is available, for instance in the brochures entitled ‘Getting Going’ and ‘The Start-up Phase’, from the first steps involved in starting up in business, through the planning phase and finance, to enterprise operation. The start-up workshops, providing interactive online tools and detailed e-learning programmes, make it possible to prepare intensively for self-employment. In the expert forum, women and men starting up in business receive answers to their individual questions from more than 40 experts.

An address database containing more than 2,000 addresses of public facilities and institutions enables users to obtain suitable contacts in their areas. The same also applies to the KfW’s Consultant Exchange, which is integrated into the start-up portal. The interface with the Federal Office

of Economics and Export Control makes it possible to make an online application for the advice and training promotion provided by the Federation.

3.6 KfW start-up coaching

Having received initial orientation advice, women and men starting up in business who need support in the launch and consolidation phase can receive targeted advice (start-up coaches) with sectoral and commercial knowledge for up to five years after the start-up.

In addition to the chambers, Land promotion institutes and other cooperation partners in situ also offer regular start-up surgeries and individual interviews at which women and men starting up in business can receive an initial check for their business project. A team of experts assesses the chances of the project for success and, if there is a positive project assessment, gives a binding agreement for promotion and passes on a list of several possible start-up coaches.

Women and men starting up in business decide for themselves on the basis of the list with which start-up coach they would like to carry out their KfW start-up coaching. The fee charged by the start-up coach is co-funded by a subsidy from funds of the European Social Fund and the KfW SME bank.

3.7 Woman and work portal: www.frauenmachenkarriere.de

The Internet portal offers the right information in an easily-accessible format about the topics of work and careers to women who are at the beginning of their working lives, are on the career ladder or are about

to re-enter work after a family phase. The target group is women who are in dependent employment and self-employed, as well as those starting up in business. The information is grouped around the topics of work, self-employment, reconciliation of family and work, equal pay and women in Europe. By providing comprehensive information and services such as event information, links and information on where to find reference material, women are to be encouraged to actively commit to achieving their career targets. Specific contacts facilitate an exchange between working women at different levels of the hierarchy and with different backgrounds in terms of their experience.

The “Variety wins” section, targeting women with a migration background, has been providing support in obtaining gainful employment since January 2006. The opportunities and potential of this target group have been posted on a central platform for the first time. This section is also supplemented by a comprehensive range of services.

3.8 www.landportal.de

The German Association of Rural Women launched a skill-building scheme in 2002 entitled ‘IT Rural Women – Strategies of **Rural Women in the Media Age**’ which was promoted as a model by the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth. The starting point was to provide rural women with IT skills, who can then fill a dual role as multipliers and self-employed entrepreneurs in bringing “IT” to rural women as a topic and as a product (homepages, seminars, lectures, consultation). It was possible to state at the end of 2004 that the use of the medium of the Internet is of existential significance for the development of rural areas and has led to many start-ups in extra and additional work.

The expansion of a modern IT infrastructure in rural areas with the goal of developing and introducing a virtual rural women's world is hence the subject of the project's extension to mid-2007. Rural women's associations and providers of products and services in rural areas are to create their own homepages via a web-based set of building blocks, enabling them to present their services to potential customers both within and outside the region. The results can be inspected at **www.landportal.de**.

IV.

Creating networks

The female-specific infrastructure, with its advice centres for entrepreneurs and women who are starting up in business, takes on a key function in promoting the self-employment of women. Its experience and know-how are important resources for regional alliances with chambers, associations, banks, economic promotion institutions, enterprises, research facilities, the social partners and the work administration to help create a start-up-friendly environment for women and men.

Studies have shown that considerable significance attaches to target-group-specific advice schemes offered to women starting up in business when it comes to the sustainability of start-ups and for activating growth potential.

4.1 The Community's EQUAL Initiative

The goal of the Community's EQUAL Initiative is to develop and test innovative models to integrate those who are at a disadvantage into the labour market, implementing the network concept at all programme levels. The start-up promotion focuses on preparation, guidance and financial security (using microcredits) for start-ups, as well as on helping to develop quality standards, amongst others on the part of consultants advising women starting up in business. A total of 238 development partnerships were actively coordinated by the Federal Ministry of Labour and Social Affairs during the two promotion phases 2000–2005 and 2005–2007.

The German forum for women starting up in business is promoted by the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth with two sub-projects participating in the **“Activating Women’s Potential for Entrepreneurship”** (AWOPE) development partnership. The project entitled “Cooperation Competence Centre” aims to nurture and manage cooperation as a growth strategy for female entrepreneurs by establishing a virtual knowledge portal. The second sub-project “Quality standards for the target group-specific advice of women starting up in business” aims to establish sustainable quality standards and support concepts in advice centres for women starting up in business and female entrepreneurs. An expert committee is drafting a concept to establish comparable standards and support offers for further training of advisers in these institutions.

4.2 Activities by and for female entrepreneurs and women starting up in business

The roughly 500 initiatives, projects and institutions operating as networks, which were ascertained in a national search¹⁷, form the foundation for an Internet-based supra-regional expert database which can be viewed at www.gruenderinnenagentur.de. It contains more than 1,300 regularly-updated profiles of advisory facilities, experts and networks which specialise in women starting up in business and female entrepreneurs.

With its personal and enterprise-related data, the database provides a major contribution to a national exchange of information, and facilitates cooperation between female entrepreneurs’ networks, female-specific advisory facilities and classical economic institutions.

17 Activities by and for female entrepreneurs and women starting up in business – National address list; search commissioned by the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, Cornelia Sperling, Martina May, Essen 2001; Vol. 1 of the research provided an overview of the activities and their trends. Vol. 2 contained an overview of the networks in the shape of a reference volume sub-divided by Federal *Länder*.

4.3 Mentoring from female entrepreneurs to female entrepreneurs

Many studies show that the success of an enterprise depends above all on good advice and information. A special contribution to the support and further training of young female entrepreneurs is made by the **mentoring project entitled “TWIN-Two Women Win” operated by the Käte Ahlmann Foundation**, which is especially tailored to women, and which provides a forum in which experienced female entrepreneurs can pass on their knowledge to the next generation of female entrepreneurs.

TWIN addresses young female entrepreneurs who have been self-employed for at least one year, up to a maximum of three years, and who would like to expand their enterprises.

The TWIN mentoring programme, which enjoys the support of considerable voluntary commitment on the part of experienced female entrepreneurs, is being successfully continued after completion of the promotion by the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth. The project already recorded more than 230 mentoring couples nationally at the beginning of 2007. A guarantee for growth, continuity, success and further development is the targeted support of the programme by the 22 *Land* associations of the Association of German Women Entrepreneurs (*VdU*) all over Germany.

4.4 Centres for female entrepreneurs and women starting up in business: Alliances for self-employment

A great number of centres for female entrepreneurs and women starting up in business have been created in Germany in the course of the institutional women's and equality policy. Their different approaches

and organisational forms are an expression of the creativity and commitment of women. Their diversity is shown both in the variety of the centres and in the individuality of the female entrepreneurs active there.

The national network of women starting up in business and female entrepreneurs' centres, represented by *Weiberwirtschaft e. V.* in Berlin, has developed a **manual**, consisting of practice-orientated modules, for women starting up in business and female entrepreneurs' centres.¹⁸ This hand-out aims to act as a prompting for chambers, associations and banks, local authorities and regional economic promotion societies.

The current brochure entitled **“Good Practice examples of women starting up in business and female entrepreneurs' centres”** provides an insight into the many possibilities and skills of women starting up in business and female entrepreneurs' centres.¹⁹ It encourages women to follow successful examples and hence to contribute to the economic development of a region or district.

4.5 The significance of networks in women's start-ups

Networks have a special significance for people going self-employed since they can exert a major influence on the start-up success of an enterprise. Against this background, the Federal Ministry of Economics and Technology has commissioned the RWI (Rhine-Westphalian Institute for Economic Research) and the Sozialforschungsstelle Dortmund (Dortmund Institute of Labour Research) to investigate in greater

18 *Handbuch für die erfolgreiche Konzeption und Realisierung von Gründerinnen- und Unternehmerinnenzentren*, Weiberwirtschaft e. V., commissioned by the Network of female entrepreneurs and women starting up in business centres, Berlin 2004. available via: www.bmfsfj.de

19 available via www.gruenderinnenagentur.de.

detail the **significance of networks for women's start-ups**. The study looked at the question of how existing networks of female entrepreneurs influence the success of start-ups and revealed the advantages and disadvantages of different types of networks.

A central element of networks is an exchange of experience between those involved. Helping people to help themselves, a **national list of networks** includes roughly 270 entries for self-organised networks for women starting up in business and female entrepreneurs, as well as vocational, specialist and female entrepreneurs' associations, which are set up online and are regularly updated and expanded.²⁰

4.6 Enterprise cooperation

Cooperation is considered as a success factor in small enterprises' start-up and stabilisation phases. In addition to the existing forms of cooperation, for instance in forming teams, founding a co-operative can lead to cooperation being made a business principle. A co-operative can be founded by several individuals, but it can also serve as a co-operation mechanism between different firms. The potential of the co-operative form for women starting up in business is presented in a brochure put out by the National Agency for Women Start-up Activities and Services, which is a practical guide for founding a co-operative, as well as providing contact with institutions and individuals.²¹

²⁰ The list is provided at www.gruenderinnenagentur.de online.

²¹ *Potenziale der Genossenschaften für Gründerinnen*, National Agency for Women Start-up Activities and Services, publication No. 11/2007. Available at www.gruenderinnenagentur.de

V.

Increasing access to capital with small start-ups

The Federal Government's declared aim is the further adaptation of the framework conditions, procedures and promotion instruments in line with the structural changes applying to start-ups in Germany. Those wishing to start-up in business can rely on an extensive set of promotion tools in Germany. € 3.2 billion were available for low-interest loans in 2006 from the European Recovery Program, and this amount was topped up by an additional € 6.0 billion from the KfW SME bank's own programmes.

Women generally make much less use of the financial assistance available in the promotional programmes for business start-ups.²² There are various reasons for this: Women frequently need less starting capital (small start-ups in the service sector). Because of family interruptions in their gainful employment, they frequently have too little starting capital, so they make fewer loan applications and prefer to resort to informal sources of funding such as family members.

Women and men starting up in business who only need a small amount of finance frequently have problems getting a loan from a bank, since the growth prospects of small enterprises and small loan volumes are

²² acc. to GEM 2003, more than 40 % of women who would like to start up in business stated that they needed less than € 10,000 or between € 10,000 – 50,000 for their project. In: *Existenzgründungen durch Frauen in Deutschland – Quantitative Bedeutung von Gründungen durch Frauen* No. 7/2007

relatively unattractive for the banks. The programmes “StartGeld” [Seed Capital], “Mikro-Darlehen” [MicroLoan] and “Mikro 10” try to offer a solution to this problem.

The **StartGeld** credit programme, in operation since 1999, makes it easier to fund small projects with a credit volume of up to € 50,000 using simplified applications and through an 80 percent liability exemption towards the house bank. This has considerably increased women’s chances of receiving a start-up loan. In comparison with the women’s share of 27 percent over all promotional tools relating to start-ups, the proportion of female founders taking up loans in this programme was 37 percent in 2005.²³ Indeed, almost 46 percent of borrowers in the new Federal *Länder* were women.

The MicroLoan programme, launched in October 2002, supports micro start-ups with a maximum third-party funding requirement of € 25,000. At 39 percent²⁴, it had an above-average share of promoted female founders and entrepreneurs in 2005.

The KfW SME bank has developed a new promotional product since March 2005 in the shape of the microloan programme. The **Mikro 10** grant offers to women and men starting up in business a new promotional window of microloans up to € 10,000, and applications are decided on quickly and unbureaucratically.

Extensive, up-to-date information on the promotional programmes of the Federation, the *Länder* and the EU can be found in the Federation’s newly-designed promotional database at www.foerderdatenbank.de.

²³ Source: Internal KfW study, 2006-12-12

²⁴ Source: dto.

5.1 Women as entrepreneurs in rural regions

The model skill-building scheme entitled **New Media for Rural Women** has led to a large number of start-ups based on extra and additional work. It has emerged here that the active use of new media is a major strategy for the development of new work and income opportunities in rural areas.

Women in particular are reacting to the changes taking place in agriculture and in rural regions by opening up non-agricultural sources of income. In order to support women either

- | in obtaining a sustainable livelihood from farms in areas in which the natural and structural conditions no longer facilitate long-term economically tenable production, or
- | in starting up in business in rural areas,

the Federal Ministry of Food, Agriculture and Consumer Protection has been promoting investment in the areas of diversification and direct marketing. Subsidies and low-interest loans can be granted for qualifying investments within the framework of the Federation-*Länder* Joint Task for the Improvement of Agricultural Structure and Coastal Protection.

VI.

Nurturing business transfers to women

In addition to equal participation in the field of start-ups, business transfers to women also constitute a qualitative contribution to more development and sustainable growth.

Roughly 71,000 successful SMEs are looking for a successor every year. The impact on the economy and on the labour market is key to the success of economic policy and of policy on SMEs. The mobilisation of the economic potential of women in business transfers is hence also of particular relevance in social policy terms.²⁵ To support and promote the timely hand-over of enterprises, there is a need to make business transfers attractive as a special form of start-up for women in particular.

The hand-over of an enterprise to the next generation in Germany is a major economic and social policy concern for the Federal Government. Back in 2001, the topic was made the focus of an image campaign entitled “nexxt – Business Succession Initiative”. The goal was to create a better climate for the hand-over of an enterprise to the next generation, and to create a public awareness of the topic.

²⁵ *Daten & Fakten zum Status quo in: Unternehmensübernahme durch Frauen, 4/2005*, available from www.gruenderinnenagentur.de

6.1 nexxt – Business Succession Initiative

The “nexxt – Business Succession Initiative” is a joint national initiative between the Federal Ministry of Economics and Technology and the KfW SME bank, the central associations of German business associations, as well as more than 20 other partners nationwide. The Internet platform is accompanied by the nexxt-change (**www.nexxt-change.org**) business transfer exchange, which was created in 2006 when the two enterprise exchanges change-online and next were merged.

With 12 million hits, the nexxt-change enterprise exchange is the largest platform for business transfers in Germany, and makes an active contribution towards creating contacts between enterprises and successors. It offers to potential successors an extensive and attractive range of enterprises which are ready to be transferred.

6.2 Daughters in business transfers

Approx. 95 percent of the roughly 3.2 million enterprises in Germany are family concerns.²⁶ According to current calculations, roughly 354,000 business transfers are to be anticipated in family firms in Germany in the period between 2005 and 2009. The enterprises to be transferred employ a total of roughly 3.4 million people.

According to estimates, roughly 45 percent of family firms are passed on within the family, but only roughly one family firm in ten is taken on by a daughter. Family and business relationships are interrelated, and are frequently so interwoven that it is not possible to make a distinction. A purely economic analysis of a family firm does not do justice to this dynamic.

26 Freund, *Unternehmensnachfolgen in Deutschland*, in: Institut für Mittelstandsforschung (IfM) Bonn (ed.): *Jahrbuch zur Mittelstandsforschung*1/2004

The Federal Ministry for Family Affairs, Senior Citizens, Women and Youth has commissioned the University of Frankfurt to evaluate scientifically the succession processes in the arena of “transfer from father to daughter”.²⁷ According to its findings, women are less frequently considered if the succession is arranged in the family firm, even if they are better qualified. If however daughters are given the opportunity, they are just as successful in management as the sons, even in sectors which are dominated by men.

6.3 SME initiative for business transfers and start-ups by women

In the context of a model survey promoted by the Federal Minister for Family Affairs, Senior Citizens, Women and Youth together with members of the Academy of the National Association of SMEs, tools and procedures were developed which are to be used in advising and providing further training to women wanting to start-up or take over an enterprise.

The fact of further training facilities and establishments linking the gender perspective with these organisations’ teaching and activities makes skill-building and practical exercises for business transfers and start-ups an attractive option for women seeking to enter self-employment.

The participating organisations were supported by a skill-building process which aimed to achieve higher quality, greater efficiency and sustainability in further training by applying Gender Mainstreaming as a strategy and a method. After the exemplary trial in the area of start-ups and business transfers by women, the gender perspective is to be established as a standard set of tools in the training offered by the facilities, as well as in the organs of the National Association of SMEs.

²⁷ Haubl, Rolf: *Familiendynamik in Familienunternehmen: Warum sollten Töchter nicht erste Wahl sein?* University of Frankfurt 2006

6.4 The Business Transfer is Female! campaign

A nationwide initiative has been launched at interdepartmental level under the motto 'Business Transfer is Female!' to have more women taken into consideration in business transfers²⁸. More than 90 experts in the field of business transfers working in Federal and *Land* Ministries, central associations, chambers, industry and research have taken part in the concerted action since its launch in 2006.

The initiative aims to ensure that more women take over an enterprise and that people giving up an enterprise recognise the potential residing in their daughters and female staff members and transfer the business to them. The process of transfer is to be guided by knowledgeable experts in interdisciplinary teams.

In the context of the campaign, the regional activities are compiled on the central platform for business transfers to women, and are linked by the National Agency for Women Start-up Activities and Services to its broad experience and networking system.²⁹

²⁸ Federal Ministry of Economics and Technology, Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, Federal Ministry of Education and Research

²⁹ Central platform for business transfers to women at www.gruenderinnenagentur.de

VII.

Self-employment of women with a migration background

The rate of women with a migration background going self-employed has continually increased in recent years, similar to that of German women.³⁰ They still found an enterprise more rarely than men with a migration background – roughly half as often –, but for roughly two decades their number has been increasing more rapidly than that of men.

This means that women with a migration background are making a major contribution to start-ups in Germany and constitute a major potential for future start-ups.

A new self-image and awareness, combined with the desire to make better use of their own skills, is observed among young women with a migration background in particular, who increasingly have the courage to go into self-employment.³¹

30 Almost 14 million people in Germany have a migration background. This includes foreigners, naturalised German citizens, ethnic (German) resettlers, as well as children with at least one non-German parent. It is considered certain that the tendency towards starting up in business is higher among people with a migration background than among Germans.

31 Goldberg, Sen (1997): *Türkische Unternehmer in Deutschland. Wirtschaftliche Aktivitäten einer Einwanderungsgesellschaft in einem komplexen Wirtschaftssystem*. In: Häußermann, H., Oswald, I. (eds.): *Zuwanderung und Stadtentwicklung*, Westdeutscher Verlag, Wiesbaden, pp. 63-83

According to the start-up monitor 2002 of the DtA (German Equalization Bank), almost all enterprises run by non-German nationals were in the service sector or in trade. 27 percent of foreign women started up a business in public and personal services, followed by trade (26 percent) and gastronomy (22 percent).

However, women with a migration background face more barriers in carrying out their start-up project. For instance, difficulties emerge when it comes to the recognition of educational qualifications from the respective countries of origin, linguistic shortcomings or traditionally-defined role models. They frequently have relatively little knowledge of promotional programmes such as those available in start-up advice and skill-building, and they find it more difficult to acquire funding.

In order to make the public promotion products better known among clientele with a migration background, the start-up portal of the Federal Ministry of Economics and Technology at www.existenzgruender.de offers basic start-up relevant information in four languages (Turkish, Russian, French and English), including assistance in applying for subsidies, placing with experts, as well as guidance for women and men starting up in business.

As to the funding of the project, women and men of foreign origin starting up in business frequently need finance in the classical area of microlending (between € 5,000 – 25,000) to carry out their project. Migrants have so far made relatively little use of public subsidies compared to Germans.³² The most important reasons for this are access to family networks in acquiring equity capital, a lack of knowledge of promotional loans and a rejection by the house bank.

32 The *Deutsche Ausgleichsbank* disbursed a total of 2,355 loans to foreign women between 1990 and 2002 for start-up funding, with a promotional volume of € 93.6 million. Related to male borrowers of non-German nationality, the promotional rate of foreign women over all nations was approx. 23 percent, and hence only slightly lower than the corresponding rate of German female borrowers, at 26 percent.

VIII.

Balance between family and work

Well-educated, productive and creative staff are key to any entrepreneurial success. Only an enterprise strategy and personnel policy which also deliberately includes the circumstances in which staff live can make optimal use of this potential in a time when specialists are increasingly scarce. A better balance between family and gainful employment, as an integral element of companies' corporate philosophy, is a central challenge for small and medium-sized enterprises in particular, which face considerable competition from more international large companies. Innovative work aids and forms of work such as the Internet, teleworking and flexible working hours, as well as help with childcare, today offer an important foundation for a better balance between family and work.

Small and medium-sized enterprises have less latitude than larger ones. Nonetheless, SMEs are adopting an increasing number of promising approaches for a better family orientation. The motivation on the part of enterprises lies in many cases in retaining skilled female and male workers. The measures that are put to use most frequently are individual working hours arrangements, according to various models defining how long and when the work is to be done.

An evaluation of the **survey entitled "Women in the Crafts"** by the Ludwig Fröhler Institute reflects this trend, and documents the broad scope of family-friendly working conditions in the crafts: 42 percent of the respondent enterprises offer flexible working hours, 36 percent offer part-time working and 31 percent offer working hours accounts. Furthermore, it is possible in 26 percent of the companies to have a vacation substitute during parental leave. Staff do not receive finan-

cial support for childcare in 60 percent of the respondent companies, but these companies do name other types of support, for example that children may be taken to work if necessary.

The **Second Assessment of the Agreement between the Federal Government and the Central Associations of the German Business on Promoting Equal Opportunities for Women and Men in Private-Sector**³³, drafted in 2006, also permits one to recognise that industry has stepped up its commitment to achieving better reconciliation of family and work. A survey, implemented in the context of the Stocktake, revealed that roughly one employee in four works in an establishment with company or collective agreements on equal opportunities and family-friendliness; another 11 percent of workers work in companies with voluntary initiatives. Whilst many large companies have such agreements, many small and medium-sized enterprises promote women and families without giving their commitment a formal title.

The Agreement established a constructive cooperation mechanism between the Federal Government and the central associations of German business to promote equal opportunities and family-friendliness in industry, and this is to be continued.

³³ 2. Bilanz Chancengleichheit. Frauen in Führungspositionen, Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, 2006

IX.

The Alliance for the Family

The Federal Government has already initiated a broad social alliance for family-friendliness at work in the shape of the “Alliance for the Family”. The Alliance is supported by a continually-growing number of representatives from industry, academia and the trade unions. Federal Chancellor Dr. Angela Merkel, Federal Family Minister Dr. Ursula von der Leyen, and the Alliance’s senior impulse group, agreed in the top-level talks on “The Family and the Economy”, held in October 2006, on joint principles and new approaches towards creating an awareness for the family among employers.

A broad selection of practical brochures and guidelines has already been published in the context of the Alliance, providing information on best practice examples of family-friendly measures in enterprises and their impact within companies.³⁴

³⁴ *Betriebswirtschaftliche Effekte familienfreundlicher Maßnahmen. Kosten-NutzAnalyse*, ed. Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, 2003; *Familienfreundliche Maßnahmen im Handwerk. Potenziale, Kosten-Nutzen-Relationen, Best practices*, ed. Federal Ministry for Family Affairs, Senior Citizens, Women and Youth and the German Confederation of Skilled Crafts, 2004; *Erwartungen an einen familienfreundlichen Betrieb. Auswertung einer repräsentativen Befragung von Arbeitnehmerinnen und Arbeitnehmern mit Kindern und/oder Pflegeaufgaben*, ed. Federal Ministry for Family Affairs, Senior Citizens, Women and Youth and the Confederation of German Trade Unions, 2004; *Führungskräfte und Familie. Wie Unternehmen Work-Life-Balance fördern können. Ein Leitfaden für die Praxis*, ed. Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, 2004; *Kosten betrieblicher und betrieblich unterstützter Kinderbetreuung*, ed. Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, 2005; *Familienorientierte Personalpolitik. Checkheft für kleine und mittlere Unternehmen*, ed. Federal Ministry for Family Affairs, Senior Citizens, Women and Youth and the German Chambers of Industry and Commerce, 2006; *Betrieblich unterstützte Kinderbetreuung. Checkheft für kleine und mittlere Unternehmen*, ed. Federal Ministry for Family Affairs, Senior Citizens, Women and Youth and the German Chambers of Industry and Commerce, 2006; *Familienbewusste Personalpolitik. Informationen für Arbeitnehmervertretungen, Unternehmens- und Personalleitungen*, ed. Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, 2006; *Informationen für Personalverantwortliche. Familienfreundliche Maßnahmen in Unternehmen*, ed. Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, 2007; *Das neue Elterngeld. Umsetzung in der betrieblichen Praxis*, ed. Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, 2007

9.1 Enterprise programme “The family as a success factor. Getting enterprises on board”

Many enterprises have recognised that they can benefit from family-friendly measures. To make sure that as many enterprises as possible follow the good examples, the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth has launched an enterprise programme within the Alliance that is entitled “The family as a success factor. Getting enterprises on board”. The goal is to convince many more enterprises to use family-friendly personnel policy as a strategic management tool in enterprise management and to make family-friendliness a symbol of German industry. The foci of the programme are, as well as family-friendly HR policy, vocational re-integration after a family break and models of company-assisted childcare.

To this end, the enterprise programme at **www.erfolgsfaktor-familie.de** provides a broad selection of publications, as well as a series of economically-calculated concepts and components. Successful case examples of family-friendly enterprises are presented in an attractive and enticing form which encourages imitation. The newsletter entitled “The family as a factor for success” provides regular information on topical facts, projects and dates (www.erfolgsfaktor-familie.de/newsletter).

Part of the programme is a network of enterprises which work as a motor for family-friendliness in their sectors and regions. The focus is on interaction: The network provides contacts, offers an information and cooperation exchange and sends out an unambiguous signal that family friendliness is a success factor for more and more companies. The service-orientated network office can be found at the German Chambers of Industry and Commerce³⁵ (**www.erfolgsfaktor-familie.de/netzwerk**).

³⁵ German Chambers of Industry and Commerce (DIHK)

9.2 Enterprise monitor on family friendliness

How family-friendly are enterprises in Germany? In order to investigate this question, the *Institut der Deutschen Wirtschaft Köln* (German business institute) implemented a second representative questionnaire in 2006 on the state of family friendliness in German enterprises on behalf of the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, in cooperation with the four central associations of German business (the Confederation of German Employers' Associations, the Federation of German Industries, the Association of German Chambers of Industry and Commerce and the German Confederation of Skilled Crafts and Small Business)³⁶.

German industry has become much more family-friendly in many quarters when compared to the results of the first questionnaire, which was carried out in 2003. Not quite one-quarter of all enterprises (23 percent) practices between seven and nine family-friendly measures in the areas of flexible working hours/teleworking, childcare, family service and promotion of parents to which the questions referred; this was only 9 percent in 2003. One enterprise in seven now offers between ten and twelve measures, up from only 3 percent in 2003. The number of enterprises which do not practice any of the measures asked about has fallen from almost 20 to almost 5 percent. Especially the measures stated as particularly important by workers – flexible working hours models and active parental leave – are more common than was the case three years ago. The general awareness of the topic as a whole has also increased: Almost three-quarters of all managements (71 percent) estimate family-friendliness to be important or very important for their own enterprises, up from just under half (47 percent) three years ago.

36 Confederation of German Employers' Associations (BDA), Federation of German Industries (BDI), Association of German Chambers of Industry and Commerce (DIHK), German Confederation of Skilled Crafts and Small Business (ZDH)

The 2006 enterprise monitor permits one to recognise a clear trend: Enterprises are constantly expanding the spectrum of their family-friendly HR policy to make it easier for women to work, to keep them in the enterprises and to permit fathers and mothers to participate in work and gainful employment equally. The future competition for skilled specialists in particular makes this more important than ever.

9.3 “SMEs and the family” portal

The **www.mittelstand-und-familie.de** Internet portal launched by the Bertelsmann Foundation and promoted by the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth provides comprehensible, solution-orientated operational measures for personnel staff in small and medium-sized enterprises in particular in the field of “care services”, “flexible working” and “work organisation”. A free telephone advice service (018 03/444333) and e-mail (**anfrage@mittelstand-und-familie.de**) helps additionally to find tailored solutions. In the “Academia” column, multipliers find material, background information, as well as supporting arguments and successful practical examples.

9.4 Childcare

Early promotion, supplementing parental child-raising and offering educational services over and above the parental home, helps create equal opportunities in education and upbringing, and is a precondition for the reconciliation of family and gainful employment. For this reason, the establishment of a quality-orientated, tailored educational and care services for children of all age groups has top priority for the Federal Government. It is a matter here of doubling our efforts to expand availability beyond the goals set out in the Child-Day-Care Expansion Act (*Tagesbetreuungsbaugesetz*).

With the 250,000 places available today, a care place is only available for one child in ten under three on a national average. Aiming to achieve the ambitious goal of offering at least one-third of all children under the age of three a care place by 2013, Germany is to follow the successful example of other European countries such as the Scandinavian countries.

The Federation, the *Länder* and local authorities have combined their forces to seek sustainable solutions to fund the additional expenditure needed to expand childcare and to spread the burden equitably. It should be taken into account here that the finance volume of the benefits which support families is very high in Germany as a whole, and also compared to the rest of Europe. The targets pursued by this promotion will however also have to be adjusted to the actual and, in some instances, changing requirements of families.

9.5 Local alliances for families

The 'Local Alliances for Families' initiative, launched in 2004 by the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, aims to increase family-friendliness where families live and work. The central fields of action of the Local Alliances for Families are the reconciliation of work and family, as well as childcare. Partners from all social groups come together in Local Alliances for Families, with the goal of effectively improving living conditions for families both at home and at work by concrete projects. The partners of the Alliance are enterprises, independent organisations and facilities, associations, clubs, initiatives and administrations, town councils, chambers and trade unions, church parishes, as well as families and volunteers.

The initiative's service office provides advice to local alliances free of charge on start-ups, organisation, public relations, process planning and further development. Three years on, the Alliance family has already grown to 380 alliances.

X.

Annex

If you would like to know more about the above measures, you can surf to the Internet addresses and websites below.

Introduction

www.bmfsfj.de

www.bmwi.de

www.bmbf.de

www.bmas.de

www.wigeo.uni-hannover.de (Global Entrepreneurship Monitor)

Data – Figures – Facts

www.kfw.de (KfW-Start-up Monitor)

www.destatis.de (Federal Statistical Office)

www.ifb.uni-erlangen.de (Institute for Liberal Professions)

Improving the conditions for start-ups

www.zew.de (ZEW-Start-up Monitor)

www.ifm.uni-mannheim.de (IfM-Start-up statistics)

www.bv-ufh.de

Promotion of advice and skill-building

www.existenzgruender.de

www.foerderdatenbank.de

www.gruenderinnenagentur.de

www.exist.de

www.jugend-gruendet.de

www.girls-day.de

www.startup-initiative.de

www.landportal.de

Creating networks

www.equal-de.de

www.dgfev.de

www.u-netz.de

www.kaete-ahlmann-stiftung.de

www.gruenderinnenagentur.de (national network list)

www.vdu.de

www.weiberwirtschaft.de

www.rwi-essen.de

Improving access to capital

www.kfw.de

www.foerderdatenbank.de

Nurturing of business transfers to women

www.nexxt.org (nexxt-initiative)

www.nexxt-change.org (enterprise exchange)

www.gruenderinnenagentur.de (action platform)

www.zdh.de

www.dihk.de

www.bvmwonline.de

Self-employment of women with a migration background

www.existenzgruender.de

www.gruenderinnenagentur.de

Balance between family and work

www.erfolgsfaktor-familie.de

The Alliance for the Family

www.mittelstand-und-familie.de

www.lokale-buendnisse-fuer-familie.de

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18132 Rostock
Tel.: 0 18 05/77 80 90*
Fax: 0 18 05/77 80 94*
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If you have any more questions, use our
service telephone: 0 18 01/90 70 50**
Fax: 0 30 18/5 55 44 00
Monday–Thursday 9.00 a.m. – 6.00 p.m.
info@bmfsfj-service.bund.de

* standard tariff prices apply

** only calls from landlines 3.9 Cent per minute or part thereof